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To Mr & Mrs James L Laidlaw

With the affection  
and appreciation of one  
democrat for another

Maria E Howt

April 29, 1912



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**WISCONSIN**  
**AN EXPERIMENT IN DEMOCRACY**

**BOOKS BY FREDERIC C. HOWE**

**PUBLISHED BY CHARLES SCRIBNER'S SONS**

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WISCONSIN  
AN EXPERIMENT IN DEMOCRACY

BY

FREDERIC C. HOWE, PH.D.

AUTHOR OF "THE CITY: THE HOPE OF DEMOCRACY"; "THE BRITISH CITY: THE BEGINNING  
OF DEMOCRACY"; "PRIVILEGE AND DEMOCRACY IN AMERICA," ETC.

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NEW YORK  
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1912

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Published April, 1912





TO  
ROBERT MARION LA FOLLETTE  
WHOSE WORK IN WISCONSIN  
LAID THE FOUNDATIONS  
FOR A DEMOCRATIC COMMONWEALTH



## PREFACE

WISCONSIN is doing for America what Germany is doing for the world. It is an experiment station in politics, in social and industrial legislation, in the democratization of science and higher education. It is a state-wide laboratory in which popular government is being tested in its reaction on people, on the distribution of wealth, on social well-being.

The American state is probably our most conspicuous political failure. It has not awakened the interest of reformers as has the city. Nor has it aroused the ambitions of men as has the national government. Some writers have suggested there is no place for a quasi-sovereign commonwealth in our governmental system. They look upon it as a political vermiform appendix that has outlived the functions it was designed to perform. Decisions of the courts have impaired the dignity which the state enjoyed before the Civil War, while the resentment of business to any kind of interference has depreciated the status of the state still further.

Yet the state has wide possibilities. It controls

the machinery of nomination and election for federal, state, and municipal officials. Representatives in congress, United States senators, as well as candidates for President and Vice-President are nominated as its laws provide. Cities have only such powers as the state permits them to enjoy. Municipal charters, the power to promote health, to control tenements, to supervise the franchise corporations, issue from the state. Home rule, commission government, the form of the ballot, the initiative and referendum and recall, are all of its providing. So is the right of suffrage. The success or failure of the city is traceable to the laws which the state enacts.

If the state is corrupt, the cities will reflect its conditions. Nor can the national government rise above its source. It will mirror the machinery of nomination and election, as well as the character of the legislature, which selects the members of the United States senate.

The state is the source of civil and criminal law, of domestic and industrial relations. It is the guardian of the peace, of the health and education of the people. It controls the roads and highways. It regulates the railroads and common carriers. Industrial and labor legislation fall within its jurisdiction, as does the care of women and child workers.

Its taxing power is ample to promote a social policy. Only the federal taxes are denied to it. It can tax and through taxation destroy, as it does in the liquor business. It controls education. Our western states have developed a comprehensive programme of higher education. They are extending it to all classes by extension teaching and the application of scientific methods to agriculture. The indigent, unfortunate, and criminal classes are wards of the state, while the promotion of almost any policy for the improvement of social conditions is within its power.

Wisconsin has raised the state from the low estate into which it had fallen and converted it into a vital political agency. It is utilizing the latent powers of commonwealth building. Twenty years ago Wisconsin was not unlike other states. Its legislature was discredited and corrupt. The biennial bartering of legislation, of place and privilege, the boss and machine control were not dissimilar from conditions disclosed in other states. All this has passed away. In a few years time Wisconsin has become the most efficient commonwealth in the Union. Of the honesty of the legislative and administrative departments there is no question. Executive offices are filled with trained men who are animated by enthusiasm for the public service.

The state university, situated at the state capital, is a scientific research bureau, using its faculty and equipment in the service of the state. Professors are connected with almost every department of public administration. State problems are studied in the schools of politics, of agriculture, of mechanical engineering. Experts from the university are employed on railway, taxation, and industrial problems, and in extending the influence of the university throughout the state. Extension study has been developed into a serious rather than a recreative pursuit, while farming has been made a highly profitable vocation through the activity of the agricultural department. The university is largely responsible for the progressive legislation that has made Wisconsin so widely known as a pioneer.

Wisconsin has carried democracy farther than any state save Oregon. It has adopted simple direct primary laws, with the second choice, for all elective officials. It has provided for the direct nomination of United States senators, for a presidential primary and the control of corrupt practices, and the use of money in elections. Constitutional amendments have been approved by the legislature for the initiative and referendum and the recall. The question of woman's suffrage has been submitted to the people. The railway and public

utility laws are models which have been widely copied by other states.

Scientific thoroughness characterizes politics as in no other place in America. Legislation is preceded by exact knowledge of the abuses to be corrected and the ends to be achieved. Laws are made as simple and direct as possible. The politician has almost disappeared from the state-house. He does not thrive in this atmosphere. There is little partisan thinking, and little partisan legislation. There is an enthusiasm among officials that is a high tribute to the state. Men think in terms of Wisconsin. Permanent party ties have been greatly weakened. Voters support men and measures, rather than empty emblems. The people themselves reflect the new motives in politics.

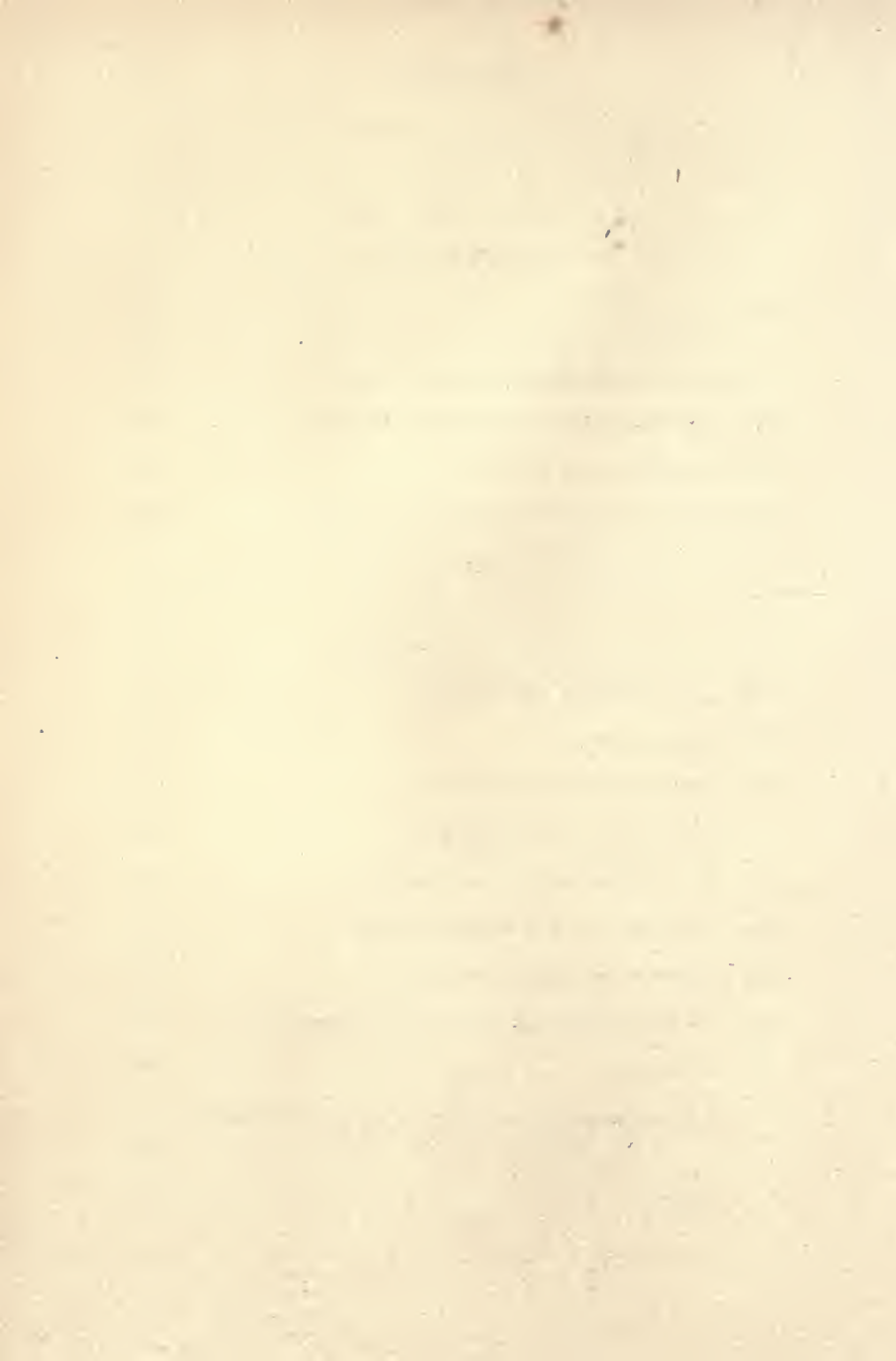
Wisconsin has developed a comprehensive social programme for the protection of the working classes through insurance against accident, by provision for the regulation of factories and unsanitary conditions. It has adopted the German idea of continuation schools, and borrowed the labor exchange from Germany and England. The state insures its own property against fire, it offers state life insurance to its citizens. It has developed a forestry policy and is planning a comprehensive programme of state conservation through a board of public affairs.

Just as the German burgomaster builds with a far-seeing vision to promote the comfort, the convenience, the health, the beauty of his city; just as the German empire has been consciously developing the education, training, and efficiency of its people, just as the state-owned railways, water-ways, harbors, forests, and mineral resources are used for the upbuilding of the fatherland; just as Denmark has consciously set about to become the world's dairy farm and agricultural experiment station; just as New Zealand and Australia are types of industrial and social democracy, so Wisconsin is building a commonwealth in a conscious, far-seeing, intelligent way. It is becoming an experiment station for America.



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**WISCONSIN**  
**AN EXPERIMENT IN DEMOCRACY**



## CHAPTER I

### LA FOLLETTE, THE BUILDER

TWENTY years ago Wisconsin was not unlike Pennsylvania, New York, Ohio, Indiana, or Illinois. It had its bosses, who gave the people such government as suited their personal and business interests. The state was a feudatory of the railway, lumber, and franchise interests, which, with the machine of federal office-holders, nominated and elected governors, United States senators and congressmen, who, in turn, made use of their power to enrich their creators. Federal and state patronage was used for the same ends. The biennial session of the legislature was a carnival of legislation for the benefit of the few. Politics was a privileged trade, into which ambitious men entered only when approved by the state machine. Few believed any other methods were possible, and no one challenged the rule of the oligarchy which distributed elective as well as appointive offices for the maintenance of its political and industrial power. There was no organized protest. The press was indifferent or controlled. The great fortunes of the state had been made from timber taken from government lands, from railroad and franchise

corporation promotion, and from building contracts identified with these interests.

Privilege was woven into every fibre of the state, as it was in most of the states of the Union. It had been so for a quarter of a century.

Robert M. La Follette challenged this system almost immediately after he graduated from the University of Wisconsin. He had practised law for three months, and then decided he wanted to be district attorney. He was then twenty-five years of age. That was in 1880. E. W. Keyes was the most powerful man in the state, a maker of governors and United States senators, and a national political figure. He was generally known as "Boss Keyes." Dane County was the least of his feudal possessions, but he prized it the most. He carried it in his vest pocket, and his control had never been questioned. And he had a candidate of his own for the office of district attorney. He might have picked young La Follette for the office had he sought it by the regular route. But La Follette had a way of his own. It was novel in Wisconsin, novel anywhere in America. La Follette decided to go to the people directly. He went out into the townships among the farmers. He had a horse, and he borrowed a harness and buggy. He needed no introduction to his constituents, for the year before he had won the interstate oratorical contest against the best orators from the colleges of seven states. On his return he was met in triumph

by students and towns-people, who carried him on their shoulders to the university, and in the evening gave him a reception at the state-house. He had brought renown to the university and the state. The farmers had read of his success in the papers; many of them had been in Madison on the day of his triumph. They knew, too, of his struggles, of how he had worked his way through college by teaching, by doing odd jobs, and by editing a college paper.

La Follette had a real issue even then. The district attorney then in office had put the county to great expense by employing outside lawyers to try his cases. La Follette said he would do all the work himself.

Keyes and the county organization sneered at the young candidate. They contemptuously termed him and his friends the "night riders," because they conducted their campaign on horseback, day and night, out in the country among the people. But when the caucuses were over, the people were in control. The farmers had believed the promises of the young candidate and enjoyed being taken into the game. They had never heard of the "interests," but they could neither be bought nor bullied into deserting La Follette. He was nominated, and later elected by a majority of ninety-three votes, the Democratic nominee being his law preceptor in whose office he had studied a few months before.

La Follette kept his pledges. He tried his own

cases, and he won his spurs. Before many months the ablest lawyers in the state were called in against him. Even then he was thorough. He was an indefatigable worker. Night after night he remained in his office until long into the morning hours. He rarely brought a case until sure of the facts. And he never tried it until he had mastered every detail of the law and the evidence. On the expiration of his first term he was renominated and again elected, this time being the only Republican on the county ticket to pull through.

La Follette enjoyed politics. He relished public work. When his second term expired there was an opening in his congressional district. It was not Dane County's turn to have the nomination, and the bosses had a candidate of their own. One day one of them said to him, "I hear you are going to be a candidate for congress. Don't you think it is presumptuous for you to be a candidate without consulting us?"

La Follette replied that he didn't know why he should consult any one but the people. Four years before he had learned a lesson, a lesson he has remembered for thirty-two years. For he has always gone back to the people. And he and his "night riders" went out among the people again. The farmers knew of his legal victories, knew he had justified their confidence, and relished being consulted at the caucuses as they were at the polls. La



Follette was nominated and elected to congress with a majority of 491. He knew very little about state or national politics. I doubt if he had any vision other than that of doing his work and winning his way. He just wanted the office. But his Scotch-Irish-Huguenot stock would not permit him to bow his neck to get it.

La Follette has always been inflexible in matters involving principles. Time has not weakened his insistence on issues which he holds to be fundamental. Nor have his contests been personal. They have always been identified with large issues. And to-day, after thirty-two years of ceaseless conflict, and at an age when most men seek peace and quiet, La Follette is still a dynamo, throbbing with restrained conviction for the things he holds to be true. His body is short and stocky, his frame close knit like that of a Japanese wrestler. His muscles are hard. Out from a face that is still youthful, blue-gray eyes smile friendship or flash indignation. He talks with enthusiasm. When moved, his voice is resonant with suppressed feeling. The personality of the man suggests compact, harnessed force.

La Follette went to Washington at a time when the tariff interests, railroads, and land-grabbers were unchallenged in their control of congress. The great West seemed a limitless domain that could never be peopled, nor its resources exhausted. Population had crossed the Mississippi, but unnumbered millions of

acres still invited the homesteader. Railroads seeking land grants got what they wanted for the asking. The senior senator from Wisconsin was Philetus Sawyer. He was a multi-millionaire lumberman and one of the bosses of the state. Sawyer took La Follette to call on the President and members of the cabinet. He introduced him as "our boy." La Follette was still young, scarcely thirty, and it was pleasant to be noticed in this way by a United States senator. Presently a bulky bill granting rights of way across the Sioux Indian Reservation to the Chicago, Milwaukee and St. Paul and the Chicago and Northwestern railways came before his committee. It made generous grants to the railroads, and La Follette protested that they included town sites which were not essential to a right of way. His neighbor on the committee whispered suggestively: "But those are your home corporations."

"Yes," said La Follette, "but I suppose I ought to be as careful about our home corporations as foreign ones."

Senator Sawyer sent for him. He said: "You know, Bob, that Sioux Indian bill provides for our folks, the St. Paul and the Northwestern railroads. I want you to look after it." "I will," said La Follette, "after I have amended it, but I don't think the bill is right."

In forty-eight hours, Henry C. Payne, chairman of the Wisconsin State Central Committee and chief

lobbyist for the St. Paul Railroad, arrived in Washington. Payne was angry. He labored with La Follette. The next day one of La Follette's colleagues in the house said: "Bob, you have trouble on your hands. Henry Payne was giving you the devil at the hotel last night. He said you were a fool if you thought you could oppose railroads, with 5,000 miles of track, running through your district."

La Follette was young. At that time most men believed, as Sawyer said to him, that "the railroads had a hard time of it." It would have been very easy to drift with the crowd. For the country acquiesced in the land grants and subsidies granted the Pacific railroads as an aid to the development of the West.

La Follette queried: "Can't a fellow do what he thinks is right down here? If I can't I'm going back home and practise law."

The bill was defeated, but the railroads did not forget. They strengthened their machine at home and prepared to prevent La Follette's renomination. But La Follette was renominated and re-elected for three successive terms. Then he went down to defeat in the Democratic landslide of 1890.

When his last term expired in 1891, La Follette's law business had gone to pieces, but by the end of three months he had organized a firm which in a short time was on a prosperous basis. Professional success was easy. The premiership of the Wisconsin bar was

La Follette's for the taking, for he had an immediate success as an advocate. But political life was inevitable. It lured him. He was the natural heir to the leadership of his party in the state, when a political tragedy threw him into the bitterest fight of his life. It raised up powerful enemies who never forgave.

For years the state treasurers of Wisconsin had been loaning the state's money to favored banks without interest. The attorney-general brought suit to recover hundreds of thousands of dollars of back interest. Senator Sawyer was bondsman of many treasurers. He was sued personally for \$300,000. The case was pending before Judge Robert J. Siebecker, a brother-in-law and former law partner of La Follette. Sawyer was alarmed. He sent a note to La Follette, asking him to meet him in the Plankinton Hotel, Milwaukee. Thinking it was a political appointment, La Follette met him in the hotel parlor. Sawyer and La Follette told different stories about what happened. Sawyer said he endeavored to employ La Follette as his attorney in the case; La Follette said he crowded a bunch of bills into his hands and said there was that much more coming if Judge Siebecker decided the cases "right." What happened became public. Senator Sawyer made a statement which called forth a denial from La Follette. The state won its case. It recovered a large sum of money as back interest, but La Follette

had won the undying enmity of the most powerful man in the state. Not only that; he split the party asunder, for the "interests" and the machine resolved to destroy him for daring to speak out.

Had it not been for the Sawyer incident, La Follette would quite naturally have slipped into the governorship or the senate. He was a good campaigner, a splendid organizer, and he almost always won. After the Sawyer episode his political demise was universally predicted. He probably would have been retired had he not immediately taken the stump against the protests of the members of the organization. That was in 1892. They said he would be mobbed by the Sawyer men; that there was sure to be trouble. The whole state was in a white heat of excitement. La Follette had been vilified by the newspapers, many of which were subsidized then as they were during the next ten years. But he replied, that he would go to the meetings if he had to carry a gun and lay it on the table before him. His meetings were packed. He had no interruptions. His courage set at rest any question as to the integrity of his motives.

Then began an eight years' war to free a commonwealth; a war that drove one after another of the old bosses out of office; that stamped out machine politics and corruption, that sent an insurgent delegation to congress; that perfected the machinery of government, regulated the railroads and public service cor-

porations; that placed them on the tax list on the same basis as other property and laid the foundations for what is probably the most intelligent, free-minded, independent, and progressive commonwealth in America.

La Follette had learned much by this time, but he was to learn more. In 1894 he cast about for a candidate for governor. He sent out 1,500 personal letters requesting an expression of opinion on the candidacy of Nils P. Haugen, one of his colleagues in congress. The response was so satisfactory that Haugen consented to be a candidate, although it probably meant the permanent sacrifice of his seat in congress.

For six weeks the lights were rarely permitted to go out in La Follette's office. He slept on the floor with his law books for a pillow, and, with dynamo-like energy, forced the fighting all over the state. Haugen was defeated, but the little band of delegates nominated every other candidate on the ticket.

For two years La Follette practised law and continued to build sentiment back among the people. He cast about for another candidate, but was unable to find any one to undertake the contest against the organization. Finally, he said he would go on with the fight if he had to be a candidate himself. When he announced himself a jeer went up over the state. The machine said it would "eat him up." But a brigade of young supporters began to pour into his

office. Stenographers worked for their employers all day, and then worked for the cause at night.

The La Follette forces went into the convention with enough delegates instructed and pledged to nominate their candidate on the first ballot. But the delegates were lured away by money and promise of place. Scores of them signed affidavits of attempted bribery. Pfister, the boss of Milwaukee, told La Follette they had him beaten, but if he would take his medicine and be quiet, they would take care of him when the time came. La Follette replied that he would take care of himself. But the organization beat him the next day in the convention as they had beaten Haugen two years before.

La Follette saw the difficulties of the delegate and convention system. The people were honest, but those whom they chose to represent them at the convention betrayed their instructions. Then he began the study of means to supersede the convention and the caucus with some other method of making nominations. There were no compulsory primary laws in the United States. Nominations were made by caucuses and conventions, just as they are to-day in many states. Delegates honestly chosen by the people sell out the people, and candidates nominated by the bosses and big interests behind the bosses serve those who nominate them, rather than the people who elect them. This is what they had done in Wisconsin. And La Follette saw that the delegate sys-

tem must be destroyed before any other progress was possible.

In 1898, La Follette plunged into the gubernatorial contest for a third time. He was the general and the commissariat of the movement. He crystallized his issues about the direct primary, the abolition of railroad passes, the curbing of the lobby, and the taxation of railroads at their full value. Again he was defeated for the nomination. But this time the machine accepted the La Follette platform. He had scored a moral victory. His reforms could not long be delayed. The people of the state were aroused, and when Scofield's administration temporized and failed to enact the measures to which it was pledged, a call went up to La Follette to be a candidate again. The machine was as bitter as ever. By all the rules of the game, defeat should have suppressed this troublesome agitator, but he kept right on, and in 1900 he was nominated and elected by the unprecedented plurality of 103,745.

La Follette was elected governor for three successive terms, in 1900, 1902, and 1904. Unable to destroy him as an agitator, the machine decided to wreck him as a builder, to discredit him by failure. All of the power of the federal and state organizations was thrown against the primary election bill, as was every influence that the public service corporations could command. The state senate was organized against him. It defeated the primary bill, as



well as the measures for equalizing the taxes of railways. In derision, the legislature enacted a bill imposing a license fee on dogs. But La Follette turned this sneer into a reproof by a message that went ringing round the state.

Many men would have abandoned the field, disheartened by failure. And failure was the argument now used against the governor. Sickness, too, laid its hand upon him. The winter had been one of killing work, for, as in his district-attorney days, he seemed to need no sleep. His old enemy, his stomach, suddenly suspended operations. There were rumors of physical decline. Then he pulled himself together; set himself to the task of conserving his own life, and for years lived upon the rigorous and abstemious diet of toast, milk, and one or two vegetables.

Privilege closed the news channels against him. Inspired editorials, news-letters, and cartoons were distributed to 300 newspapers in the state, which were paid from \$50 to \$1,500 to use their columns against him. By the fall La Follette was on the stump again. His followers were now known as "Half-Breeds." This was an epithet of contempt. In time it became a name to be proud of.

Always poor, La Follette entered the campaign of 1902 with a debt of \$15,000 hanging over him, the savings of years swept away, and only his indomitable resolution and the affection of the people to sustain him. Every possible abuse was heaped upon

him. The manufacturing, business, and commercial interests were lined up with the railroads. He was driving out capital, it was said. The state was suffering from demagogic agitation. His defeat was demanded to avert industrial ruin.

But the victory was easy. La Follette was nominated on the first ballot and elected by a majority of 47,599.

The senate was "Stalwart" and hostile, as before. But public opinion was behind the primary bill. The legislature could no longer withstand the pressure from the folks back home. The measure was finally enacted. Nor could the bill for the taxation of railroads be longer delayed. The inequalities were too glaring. Then after fighting it for years the railroads naively said: "Oh, well, it doesn't make very much difference to us, for if you increase our taxes we will simply increase our rates and so make the people pay the increased taxes."

This was an unfortunate threat to lodge in La Follette's mind. It was the seed that gave birth to his next great constructive reform, the regulation of railway rates and charges by a utility commission. For, if the railroads could thwart justice in this way, it was necessary that their arbitrary rate-making power be controlled. La Follette worked out the doctrine that railway rates should be fixed by a commission and at such a point as would yield a fair return on the property actually employed in the ser-

vice. To accomplish this it was necessary that railroad property should be valued. This was his great contribution to the railway question. It has become the central feature in his railway programme in national affairs.

The problem was confused by all sorts of legal questions, and La Follette was finishing his second term. There was a tradition against a third term in Wisconsin, and the railroads were able to muster enough votes to defeat the railway commission bill. But by so doing they gave La Follette an issue. They made it necessary to appeal to the people again. His work was incomplete and would be as long as the menacing power of arbitrary freight rates lay uncontrolled in the railroads' hands. Another campaign followed. It has been estimated that hundreds of thousands of dollars were spent to defeat him for reelection. But La Follette carried the relentless logic of statistics to the county fairs and showed the people how they were being plundered by discriminating freight rates and charges. The convention of this year (1904) resulted in a split, the "Stalwarts" nominating a ticket of their own. Litigation followed. But the La Follette ticket was declared to be regular. He was again elected, this time by a majority of 40,000 in spite of the third ticket placed in the field by the "Stalwart" Republican organization.

There was a vacancy to be filled in the United States senate. La Follette was chosen by the legis-

lature, but declined to relinquish his post as governor until his programme was complete. The railway commission bill was passed, both parties uniting on the measure. A special session was later called (1905) to rivet down the railway bills, which had been defied by the railroads. Additional laws were enacted, and within the next forty days the railroads paid into the state treasury over \$1,000,000 in tax arrearages.

It is as an orator, an agitator, a fighter, that La Follette is most widely known, but it is as a commonwealth builder that he has best served the country. He has always had a programme of legislation, a programme that made for democracy, for liberty, for the square deal.

The legislation with which he is identified in Wisconsin has served as a model wherever the progressive movement has gained a foothold. The direct popular primary has spread from state to state. Through it representative government has been vivified in city, state, and nation. Congress has reflected it within the past four years. The states of Kansas, Nebraska, California, Iowa, Michigan, New Jersey, and others have had the breath of democracy breathed into them by means of this agency for expressing the popular will.

This was his first great achievement. It made others possible. Through it the politics of Wisconsin have been purified. The state has been educated on political questions, and party lines have been broken

down. Politics have become the ambition of a new type of men. University graduates are filling the state legislature, while the Wisconsin delegation in Washington has for years reflected the new ideals of the state.

The railway commission bill was followed by a public utility measure which has served as a model for other states. The appointees to the commission have been eminent lawyers or students of the subject. Public service corporations in Wisconsin are now subject, not sovereign. Their physical property has been valued as the basis for rates and charges. The valuation for rate-making is the valuation for taxation. Public service corporations are not permitted to play both ends against the middle; to report a watered valuation as the basis of rates and charges and another valuation for the purpose of taxation.

Far from injuring property, these measures have given the securities of public service corporations a better standing and security than in other states. They sell better. Bankers advertise them as issued under the public utility law. At the same time, cities are protected from the corrupting influences of the franchise corporations and the shipper from excessive railway rates.

For eight years La Follette had to fight the state machine built upon the spoils of office. When he became governor, this patronage was his to use as he willed. He might have built up a machine and made

his position impregnable. But he threw this advantage away and enacted a civil service law placing the public service of the state on a merit basis.

It is probably no exaggeration to say that the educational system of Wisconsin is the most democratic in the world. It is also one of the most wonderful. The spirit of La Follette is responsible for this. He liberalized the board of regents and brought about the selection of Charles R. Van Hise as president of the state university. The university has been linked with the capitol so that trained university men co-operate with or serve upon the state commissions. Work done by political "heelers" in other states is assigned to advanced college students, while the spirit of co-operation between political and educational agencies is like that which obtains in Germany.

When La Follette entered the senate in 1906 he was alone. His voice was as one in a wilderness. He was a pagan, desecrating the sacred precincts of the temple of privilege. That was the feeling of official Washington. He broke the traditions of the senate and before the close of the first session had spoken a score of times on a dozen important measures. He discovered a "joker" in a bill to sell the lands of the civilized Indian tribes of Indian Territory to the railways. They already had a lease on 107,000 acres, and this would have given them the balance of the coal lands in the territory. They were to pay prac-

tically nothing for them. In a debate against the bill which lasted two days he struck the first note on conservation. He showed how the railroads had obtained leases in violation of law; how the coal deposits of the country were fast passing under their control, leaving the consumer absolutely at their mercy. His protest saved the coal lands and mineral resources to the nation. They are estimated to contain five billion tons of coal and to be worth hundreds of millions, possibly billions, of dollars.

He offered an amendment to a pending bill to give the Interstate Commerce Commission control over the capitalization of new corporations as a means of preventing overcapitalization. His place in the senate was made, however, by a speech on the Hepburn rate bill, which overhauled the powers of the Interstate Commerce Commission. He knew the railroad question, for he had been studying it with thoroughness for years. It was during this speech that old members of the senate tried to haze him by emptying the chamber. But La Follette had been trained in too hard a school to be concerned over such petty tactics. He said:

“Mr. President, I pause in my remarks to say this: I cannot be wholly indifferent to the fact that senators, by their absence at this time, indicate their want of interest in what I may have to say upon this subject. The public is interested. Unless this important question is rightly settled, seats now tem-

porarily vacant may be permanently vacated by those who have the right to occupy them at this time."

His words were prophetic. He was alone in the senate six years ago. To-day there are more than a dozen members of his own party, and nearly as many more Democrats, who occupy some of the seats then "temporarily" vacant.

Although alone in the senate, La Follette was building even then. By an amendment to a pending bill he established the doctrine of comparative negligence in railway employment. Under the federal decisions an employer had only to show that the employee was guilty of negligence to defeat his action for personal injuries. Under the amendment, negligence of the employee is no longer a bar to recovery if it can be shown that the employee's negligence was less than that of the employer's.

He also brought about a limitation of the hours of service of railway employees by a bill which provided that no employee should be kept on duty more than sixteen consecutive hours, nor allowed to return to work before eight hours of rest had intervened. At a subsequent session he secured an amendment to the postal appropriation bill requiring the lighting of mail cars by electricity, thus protecting to some degree life and property from fire. He also secured another amendment which changed the old method of railway mail pay, under which the railroads received



nearly \$5,000,000 a year more than they were entitled to.

When the Payne-Aldrich tariff bill was up for discussion, La Follette was a leader in the insurgent protest against it. He was one of those who finally voted against it, at which time he made the following prophecy:

“When I began this fight in this chamber four years ago in behalf of the public interest and against the forces of special privilege, I stood alone as a Republican senator. Now there are ten of us engaged in the same fight. I warn you that if you refuse to consider every proposition advanced in behalf of the public and carry out your determination to make this tariff legislation but the instrument by which special interests may, through special privilege, enrich themselves by unjust exactions from the public, the public will hold you responsible and prove its resentment as certainly as elections are held.”

The returns from the polls in 1910 justified this prediction.

Though a Republican, La Follette is a Democrat with a small “d.” His democracy is economic, industrial, social. It is based on an understanding of the fact that the law-maker, not the law-breaker, is primarily at fault. The abolition of special privilege is his economic creed. He says:

“Honest wealth needs no guarantee of security in this country. Property rightfully acquired does not

beget fear—it fosters independence, confidence, courage. Property which is the fruit of plunder feels insecure. It is timid. It is quick to cry for help. It is ever proclaiming the sacredness of vested rights. The thief can have no vested rights in stolen property. I resent the assumption that the great wealth of this country is only safe when the millionaires are on guard. Property rights are not the special charge of owners of great fortunes. The ample power of the constitution is the everlasting bulwark of honest property rights.”

The moral and political forces, which La Follette set in motion, have remained the forces which have animated the subsequent building of the state.

## CHAPTER II

### LAYING THE FOUNDATIONS OF DEMOCRACY

THE five years from 1906 to 1911 were an interregnum in which the state was catching up with itself. Fourteen years of warfare, waged on both sides to extermination, had left bitterness and suspicions that only time could soften. Republicans and Democrats had forgotten party ties in the feudal warfare between democracy and special privilege which had overshadowed everything else. Everybody took sides. Every one was a "Stalwart" or a "Half-Breed." The whole state was divided into bitter factions.

When La Follette entered the senate, in January, 1906, the powers of privilege were discredited but not destroyed. Defeat still rankled. Railways and public service corporations had been chastened, but they resented their exile from the ascendancy they had long enjoyed. Old leaders hoped for a return to power. There was a minority in the legislature ready to retrace the steps it had unwillingly taken, while business men still feared the calamities which they had been assured would follow the railway, taxation, and insurance legislation which had been enacted.

This fear extended to manufacturers, shippers, and small business men, who had been sedulously encouraged in this belief by the larger interests.

Foundations had been laid for the building of a commonwealth, but no one could tell whether the state would complete the structure. Many feared a popular reaction, a desire for peace and quiet on any terms. For democracy insists on taking its time, on not being crowded beyond its capacity. Such struggles as rent Wisconsin are followed by reaction unless the people themselves make the issues, as they do in Oregon under the initiative and referendum. And, it must be remembered, Wisconsin was far out on the skirmish line in the progressive movement, which has since become nation wide in scope.

A defect was shortly disclosed in the machinery of the primary law, which permitted plurality rather than majority nominations. There was no provision for a second choice. By reason of this, privileged interests were able to concentrate their support upon a candidate of their choice, while the progressive vote was distributed among a number. Isaac Stephenson was nominated for the United States senate by such a division. This condition was remedied in 1911 by an amendment to the primary law providing for majority nominations through a second choice.

Aside from this, the direct primary worked well. A higher class of men have entered the legislature than

before. The state-wide campaigns of La Follette had aroused the people to an interest in political questions, and awakened many young men to participation in public affairs. They aspired to the legislature, to county and city offices. Under the direct primary, politics is free from boss control and advancement is possible. During these years the character of the assembly steadily improved. For the most part it has become a body of earnest and honest men. There has been little suggestion of the corruption which many of our states accept as a natural biennial shame. Wisconsin has apparently put behind her such conditions as have disgraced recent sessions of the legislatures of New York, Ohio, Illinois, and other states. The lobby has changed its character. It is no longer venal and secret; it is intellectual and open. An anti-lobby law was passed in 1905 which limited any paid lobbyist or legislative agent to oral or printed arguments presented to legislative committees or to the legislature in a body. Lobbyists are required to register their names and the interests or corporations which they represent with the secretary of state, and these names are posted on a bulletin-board in the assembly lobby, or read by the clerk of both houses of the legislature. At the end of the session the lobbyist must make public the amount of money expended and the purposes for which it was used. The last session of the assembly enacted a law directed against log-rolling

or trading in votes by legislators, either with the governor or with members of the assembly.

The railroad and public utility lobby, which swarms about the capitals of our states during a legislative session, has been reduced in number and changed in character by the transfer of many legislative questions to the railroad and tax commissions. Questions of rates and charges, of services and improvements are argued before these commissions by experts or lawyers much as they are in court. The industrial commission law, enacted by the last legislature, will remove the manufacturers and employers in the same way. These commissions are filled with men of unimpeachable honesty and recognized ability.

It is no longer necessary for corporations to contribute to campaign funds, to seek to control nominations or elections, or to maintain a corrupt lobby to protect their interests. Cities have been freed from the distracting activities of franchise corporations by the public utility commission, which regulates these corporations. Their accounts are public, they are subject to investigation, they are protected from assault, while their property has been placed on the tax duplicate by state officials acting in harmony with the state railway commission.

Wisconsin has removed the chief cause of corruption from city and state, and by so doing has purged its politics of corruption. Special interests have little to fear or gain from the legislature. They have come

to trust in the honesty and fairness of the expert commissions created for their regulation.

The spoils system has been abolished by the enactment of a thorough-going merit system. There is no patronage to be distributed by governors or mayors. A civil service law was approved by La Follette while governor against the opposition of many of his friends, who termed it a self-denying ordinance; a quixotic relinquishment of means for firmly establishing the progressive movement in the state. Few men would voluntarily abandon the patronage of a state in the midst of a conflict, with an untried primary law holding the fate of the future, and with the entire federal patronage of the post-offices, internal revenue, and departments of justice in the hands of their enemies.

But the merit system proved a bulwark of strength to the progressive cause. It kept men in office trained to thorough methods and imbued with a sense of affection for the state and the principles for which they had been fighting. It has been honestly enforced and has opened up the public service to a new type of men and women who have eagerly availed themselves of the opportunity to enter the public employ. Many of them had been identified with the progressive cause, and many were trained in the university under the group of men in the economic and political science departments, which have always been a source of radical university opinion.

La Follette had brought the university into close touch with the capital. He identified it with politics in the proper sense. This was one of his greatest achievements. The regents sympathized with his policy, as did Charles R. Van Hise, who had been La Follette's college friend, and whose election as president was largely due to La Follette's efforts. During these years the university lured professors and students to Madison. It built up a department of political and economic science under the direction of Dr. Richard T. Ely, the economist, John R. Commons, the expert on labor and industrial questions, E. A. Ross, the sociologist, and Paul S. Reinsch, in the department of political science. Frederick J. Turner was emphasizing the influence of the West on American history, while other men were awakening an open-minded student body to new ideas in politics, economics, and service. The railway, taxation, and primary laws had been drafted with the co-operation of university professors, while most of the officials elected with La Follette were still in the state-house. They, too, are for the most part university men, as are an increasing number of members of the legislature. The close intimacy of the university with public affairs explains the democracy, the thoroughness, and the scientific accuracy of the state in its legislation. It, as much as any other influence, kept Wisconsin true to the progressive movement during these years.



The university had aroused the resentment of the privileged interests, and vacancies on the board of regents had been filled by reactionary nominees closely identified with water-power interests and public utility corporations. They resented the work of the university, its teaching, its democratic tendencies. Especially did they resent the activity of President Van Hise, who is a geologist of international renown, in conservation and the protection of the water-powers of the state. They protested against the freedom of academic discussion which prevailed. A feeling of suppression prevailed in university circles. There was grave danger to academic freedom. Frederick J. Turner resigned from the chair of American history, while investigations were made of the classroom utterances of some of the professors. Students as well as instructors became restive, and the class of 1910 uttered a protest against the interference of the regents with freedom of teaching at the university. It chose, as a class monument, a bronze tablet, on which was inscribed a declaration of academic freedom taken from the report made by the board of regents in 1894, following an investigation by the regents of the writings of Professor Richard T. Ely. The tablet was denied a place on the campus, but was hung in a conspicuous place in the trophy room of the Students' Union, located on the edge of the grounds. The inscription reads as follows: "Whatever may be the limitations which trammel enquiry

elsewhere, we believe that the great State University of Wisconsin should ever encourage that continual and fearless sifting and winnowing by which alone the truth can be found."

During these years the university was widening its influence through the extension department. It organized lecture courses and debating clubs, and distributed books and pamphlets on economic and social questions, which fairly presented both sides of the question. The agricultural department was reaching out to the farmers, who, in increasing numbers, were coming themselves or were sending their sons to the university. By these means the whole state was being trained to a belief in the reforms already achieved and awakened to a desire for their extension. Pride took the place of fear, while the business interests generally acquiesced in the legislation they had been taught to distrust. The railway commission was cautious, many thought too cautious, in its action. It ignored the flood of requests for immediate relief, insisting it must first know the value of the railways and public utility corporations, as well as the cost of service, before it could act on rates and charges. For it was composed of university men and lawyers trained to accurate thinking.

The ad valorem tax laws increased the taxes of the railways by \$600,000 a year, while the railway commission by its cautious and scientific treatment of

the problems presented to it gained the confidence of the state.

Business conditions in Wisconsin improved more rapidly than in the country as a whole. The bank inspection law, enacted in 1904, put a stop to careless banking and speculative credits. Not a single bank failure has occurred among the 507 state banks in Wisconsin since its enactment, the only failures having been in three national banks through embezzlement. In the seven years ending in 1910, the capital and surplus of state and national banks increased 54 per cent as compared with an increase of 46.6 per cent for the country as a whole. During the four years following 1905, business failures in Wisconsin decreased one-tenth as compared with the previous four years, while for the country at large they increased one-third. Nor was railroad building discouraged, for in spite of provisions against watered securities, the actual investment from 1903 to 1909 amounted to \$39,000,000, or an increase of 15 per cent over 1903.

Even the public utility corporations began to acquiesce in regulation, while many heartily approved of it. It gave stability to their business and improved their securities. It also freed them from the necessity of interfering in local politics as well as from discriminating rates and rebates, which are almost as costly to the corporations as to the public at large. A free highway, open to all alike, and on

the same terms, encouraged business and made it secure. It stimulated industry and attracted capital to the state. And during these years so thorough was the legislative work, and so careful were the commissions created under them, that only one of the more important progressive laws have been overturned by the supreme court, and not one was carried into the federal courts.<sup>1</sup>

In 1910 privilege made its last stand. The Wisconsin idea was extending to other states. Railway, public utilities, industrial, the direct primary, and other laws were being adopted bodily by other commonwealths as models of constructive legislation. Governors and legislators looked to Wisconsin for aid in the solution of their problems, and state after state was incorporating her laws into its own almost without change. It was necessary to check this movement and stem the tide of revolt. La Follette's first term in the senate was expiring. He must be defeated for re-election. The primaries of 1910 and the election which followed saw privilege and democracy more clearly aligned than at any previous time or place in American history. The Progressives were successful at the primaries. They nominated for governor Francis E. McGovern of Milwaukee, long a supporter of La Follette, upon a platform drafted by the candidates, which was so definite,

<sup>1</sup> In 1912 the supreme court declared a law providing for state control of water-powers to be unconstitutional.

concrete, and inclusive as to leave little to be desired. It was a model platform for a state programme which the legislature of 1911 conscientiously enacted without equivocation. It declared for a corrupt practices act limiting the amount of money to be spent at primaries or elections, as well as for an amendment to the primary law, which would insure majority nominations by giving the voter the right to name a second choice. A declaration for the initiative, referendum and recall, and home rule for cities extended democracy a step farther, while a state income tax was endorsed to equalize taxation. The platform protested against the surrender of water-powers and assured their conservation and control by the railway commission. It declared for a comprehensive industrial programme including a workman's insurance bill, effective child and woman hours of labor measures, state aid to highways, and freedom at the state university. Academic freedom was made a political issue before the people for the first time in this country by the following declaration:

We are proud of the high eminence attained by our state university. We attribute its advancement both to the able and courageous guidance of its president and faculty and to the progressive and enlightened character of the citizenship that sustains it. We commend its research work, illustrated by what has been accomplished in agricultural and dairy affairs, conserving our natural resources, which have effected a saving of millions of dollars annually

to the people of our state. We also commend its investigations for the improvement of the relations of men to one another. We regard the university as the people's servant, carrying knowledge and assistance to the homes and farms and workshops, and inspiring the youth toward individual achievement and good citizenship. We recognize that its service to the state, through investigations in agriculture, industry, and social institutions, depends upon its freedom to find the truth and make it known, and we pledge the Republican party to the policy of academic freedom so well expressed by the board of regents in 1894, when they declared: "Whatever may be the limitations which trammel enquiry elsewhere, we believe that the great State University of Wisconsin should ever encourage that continual and fearless sifting and winnowing by which alone the truth can be found."

The return of La Follette to the senate was tested under the senatorial primary. A convention, which had the approval of the national administration, was called by the Stalwarts to oppose him. La Follette, confined at home by illness, was unable to take any part in the campaign, but Progressives came to his aid from all over the country. He received 143,000 votes at the primary to his opponent's 40,000. Six thousand dollars was spent on his behalf, while the interests opposed to his election expended \$114,000. At the same time a Progressive Republican state ticket was elected, pledged to the most constructive programme of popular government and industrial legislation ever presented to any

state. The direct primary had vitalized the party platform and converted into an obligation what is usually a declaration of obscure generalities. The state was ready to take up its second instalment of commonwealth building.

## CHAPTER III

### CALLING IN THE EXPERT

GERMANY has identified science with politics more closely than has any other nation. The state universities, technical and commercial colleges are consciously used for the advancement of the fatherland. Men make a profession of administration. For this they prepare themselves. The higher civil service is recruited from the universities, as is that of the cities, whose burgomasters and members of the magistrat are almost all trained men. The colleges of civil and international law, of finance and administration, of medicine and engineering, are all co-ordinated with the state, as are professors and men of science who occupy administrative posts, or are assigned to special government work. The achievements of Germany during the past forty years in industry, commerce, and transportation, in her army, navy, and merchant marine, in the perfection of her cities are largely the result of the close identification of science with politics. In no other country is the expert the *alter ego* of the statesman and the administrator as he is in that country. The public service attracts the most distinguished talent of Germany.



Special schools and new departments are opened to meet new needs. There is a town-planning school in Berlin to further the art of city planning, to train men in the physical side of city administration, in engineering, in housing, in health, sanitation, and municipal art and beauty. In 1910, the city of Düsseldorf opened a school of municipal administration and city planning. The course covers two semesters of three months each, at the end of which students take an examination in the subjects studied, which include municipal law, the labor question, sanitation, the relief of the poor, and general administration. The teachers are experienced men from the courts, the university, and from actual city administration. Berlin, Cologne, Frankfort, and Dresden, nearly all the large cities in fact, maintain splendid commercial colleges for training business men in banking, in commercial law, languages, accounting, and business efficiency. There is scarcely a field of statesmanship, administration, or business in which provision is not made for the training of men who plan to make of it a profession.

Wisconsin is making the German idea her own. The university is the fourth department of the state, along with the judicial, executive, and legislative branches. There is no provision for this in the constitution, no reference to it in the laws. But whether you sit in the office of the governor or of President Van Hise, you see evidences of the most intimate

relationship between the two. The university is the nerve centre of the commonwealth, impelling it to action in almost every field of activity. It has been the direct inspiration of many of the progressive laws of the past decade. It has adjusted its teachings to state problems. It loans its equipment and encourages its professors to enter the state service. There is some complaint about this; one hears the suggestion about the state-house that the legislature merely carries out a programme prepared for it on University Hill, at the other end of Madison.

The close union of the university with politics prevented any serious reaction during the years which followed the election of La Follette to the senate. University graduates occupied many of the important state offices, whether elective or appointive. In 1910 there were thirty-five professors and instructors giving part of their time to the public service. President Van Hise and Dean E. A. Birge are members of the conservation commission, state park board, the forestry and fish commissions. John R. Commons, professor of political economy, and now a member of the newly created industrial commission, has promoted much of the industrial, labor, and railway legislation of recent years. Thomas S. Adams, former professor of political economy, is now a member of the tax commission, while Dr. B. M. Rastall is director of the state board of public affairs. Dr. B. H. Meyer, now of the Interstate Commerce Com-

mission at Washington, was a member of the railway commission and at the same time professor of transportation. Charles McCarthy, head of the legislative reference library, is lecturer in political science, and E. M. Griffith, the state forester, is instructor in forestry. C. F. Burgess, professor of mechanical engineering, is on the engineering staff of the railroad and tax commissions, while Richard Fischer, professor of chemistry, is the state chemist. Chauncey Juday, state biologist, is lecturer on zoology. J. G. D. Mack, W. D. Pence, C. G. Burritt, N. P. Curtis, Otto L. Kowalke, H. J. Thorkelson, and J. H. Vosskuehler are all members of the engineering faculty and connected with the railway and tax commissions in the appraisal of property, the investigation of equipment, meters, and conditions of service of the local public utility corporations, and the working out of technical problems connected with the regulation of these industries. Professors in agriculture, in chemistry, in law, and in medicine are identified with other state activities and give a considerable part of their time to public affairs. Groups of students spend their vacations in all kinds of state work and are the most efficient of employees.

Wisconsin has bred a spirit of service that is unique. There is nothing like it in America. It suggests the existence of an instinct for public work that we have rarely offered an opportunity to develop. Men talk about public affairs in Madison;

they talk city, state, and nation, the problems of the farmer and the worker, as in no other place I have ever been.

The university is the state research laboratory. Graduate students investigate pending questions, while the seminars in economics, politics, and sociology are utilized for the exhaustive study of state problems. There is scarcely a big legislative measure that was not first thoroughly studied at the university end of Madison before it was placed on the statute books at the other. Wisconsin adopted a state income tax in 1911. For years the subject was studied by advanced students of finance. It was a novel idea. Only two or three states had tried the income tax and in each of them it had been a failure. The students sought for the cause; they studied the federal income tax laws, those of Germany, France, and England, as well as the methods of assessment and collection, and the proper deductions to be made. All these questions were thoroughly worked out by professors and graduate students before the measure was introduced into the assembly.<sup>1</sup> The initiative, referendum, and recall were studied in the same way by the department of politics before resolutions amending the state constitution were approved by the legislature. The wisdom of the experiment was debated, the Swiss and Oregon systems were com-

<sup>1</sup> The income tax bill was finally drafted by Professor T. S. Adams, and D. O. Kinsman, a professor in one of the state normal schools, who was brought to Madison for the purpose.

pared, their details and achievements were analyzed. These measures were discussed all over the state in debating clubs and other societies. Wisconsin was familiar with these new instruments of democracy before they were seriously considered in the state-house. The commission form of government, home rule for cities, amendments to the direct primary and election laws were studied in the same way. John R. Commons used his department for the study of industrial insurance, child and woman labor, labor exchanges, and factory inspection preparatory to the legislation of 1911. German, French, and English documents were digested and exact information collected for use by the special legislative committee appointed on the subject of workmen's compensation. Mechanical, medicinal, and health problems, the reform of the judiciary and criminal procedure, the care of indigent and criminal classes, the conservation of water-power and forests, all these had been subjects of scientific investigation long before they were imminent as legislation. And when these measures were finally presented, they had nearly a united state behind them.

One of the seminars in political science meets in the state-house, where its members are assigned concrete questions which trouble members of the assembly. Recently six fellowships were created. Not for foreign travel, but for half-time work in the insurance department, the railroad, and tax commissions.

Through these fellowships, men secure an actual knowledge of the subjects they are studying. President Charles R. Van Hise awakened the state to an interest in conservation and the preservation of water-powers. His activity aroused the hostility of the electric power interests, which were represented on the board of regents. They resented his activity, as well as the freedom of discussion in the university. This interference with academic freedom ceased in 1911 with a change in the personnel of the board.

Departments far remote from twentieth-century problems are affected by the modern note. I listened to the professor of Roman history discussing the conditions of the Roman republic in the years preceding the empire. He departed widely from the historical teaching with which I was familiar. The story of the decay of Rome became a twentieth-century warning in the close analogy drawn between landlordism in the first great republic and our own. He explained how the colossal plantations, the *latifundia* of the old Roman land-grabbers, had been obtained just as were the land and timber grants in the American West; he showed how in each instance they were born of a close alliance of politics with business, by the class control of the Roman senate and the American congress, whose members in each instance, and in exactly the same way, betrayed their trust for the enrichment of themselves and their associates. The professor of English history had been spending his

vacation in England, not in the British Museum or the Bodleian Library, but out on the hustings stumping with politicians in the budget campaign of 1909, in order that he might interpret the past from a knowledge of the present.

Historians and sociologists interpret their sciences in the light of the needs of present-day Wisconsin. E. A. Ross, the author of "Sin and Society," teaches sociology in terms of the tenement and the farm, rather than in terms of the cave man. He sends students out into the state to learn what the farmer reads, what are his recreations and those of his children, in order that the state may know his needs. He analyzes the crimes of men, of society, of business, the failures of criminal procedure and its punishments, in order that facts may be translated into remedies at the capitol. Sociology in Wisconsin is a science of life, of to-day, of human efficiency.

The utilitarian activities of the university have not interfered with academic standards or high ideals of research and scholarship. For the university encourages research, it maintains high standards of scholarship, and its faculty is filled with men of eminence in their respective fields. While comparisons are difficult, I should say that the achievements and standards of the university are equal to those of the privately endowed universities of the East, and that the publicity given to the agricultural and extension departments has led to more critical stand-

ards than would otherwise obtain. The university has made notable contributions to science, while its professors are constantly being called to other institutions. The close contact of the university with the state has vitalized its life. It has done much for the professors; it has done more for the students. There is an atmosphere of enthusiasm, of interest in the things that are, that is different from anything I know in any other institution of learning in America.

A large number of the graduates from the schools of economics and politics enter the public service in Wisconsin, at Washington, and in other states and cities. Requests come to Madison from all over the country for men to fill positions in civil and social work. And apparently graduates prefer public to private work, administrative posts rather than academic ones. Wisconsin has created a new profession, the profession of public service. It has adapted the German idea to American soil.

One of the by-products of the university is the legislative reference library organized by Charles McCarthy of the department of politics. McCarthy observed members of the legislature, untrained to study and bill drafting, drifting about the library seeking information and aid; he saw the mass of conflicting and undigested legislation which went through the mill, and came to the conclusion that legislation has failed, in part at least, because of the absence of any permanent agency for gathering ma-



terial and the drafting of measures. Most of our state legislatures meet biennially. The session lasts for only a few months. Its members are untrained to law-making and unused to legislative methods. To meet this defect and bring together the various departments of the state, McCarthy evolved a bureau to aid the legislature and translate the work of the expert into law. He became its director. The library occupies quarters in the state-house, where the laws of other states, public reports, monographs, and treatises on current industrial, social, and legal problems are collected. Expert draftsmen are connected with the bureau, as well as a corps of men and women from the university. Members of the legislature come to McCarthy to draft their bills. They bring their local problems or some big constructive proposal. The evil to be corrected is studied, laws of other states are analyzed, and experts from the departments co-operate to make the measure as perfect as possible. The aim is not only exact draftsmanship, but intelligent law-making. McCarthy and his associates work with committees; they aid members in gathering material for speeches, and serve as *ex officio* clerks in the assembly. The bureau occupies a position not dissimilar from the permanent staff of experts in the departments at Washington. It has become a clearing-house of service, not only for Wisconsin, but for the country as well. Into this bureau the political progress of the world is gathered; out of it comes a

new chemical compound in the form of progressive legislation. From this laboratory men and women are graduating into similar reference bureaus in cities and states all over the country.

One of the first acts of the socialist administration in Milwaukee, following its election in 1910, was to organize a Bureau of Economy and Efficiency. It sent to the state university and secured John R. Commons to become the city's expert, a kind of unofficial burgomaster, to furnish expert information and advice on municipal problems. Commons took with him a number of university men who proceeded to reorganize the departments, to install the best systems of accounting, to make surveys of the needs of the city. The purpose was to check waste, to bring about economy. The object of the bureau is to get the best possible use out of materials, time, and labor, and to organize the city as an efficient political, social, and business organization. The bureau first installed a system to show how much each unit of work costs and ought to cost. Comparisons are made with other cities and reports are made to officials and the community. The collection of refuse and garbage was reorganized, which resulted in a substantial saving in this department. Engineers showed how the refuse plant could be rebuilt and effect a saving of nearly \$40,000 a year. Other experts devised the most efficient method of installing fire and police alarm systems. Street

flushers were subjected to competitive tests under a standard of efficiency. Departments were reorganized to prevent confusion and overlapping of functions. Needless employees were eliminated. Charts were drawn to show the powers and duties of various officials. A municipal reference library was organized to which an expert was called from the university. It is a clearing-house of other cities. Bulletins are published and surveys made of city work. The rates of the water department were revised, boiler efficiency was studied, as was street and sewer construction and cleaning. There were surveys of public recreation and amusements, of special assessments as a means of paying for permanent improvements. The health of the city was studied, as was the milk supply, infant mortality, meats and foods, municipal recreations, and free employment agencies. Experts from other cities, the majority of whom were connected with the state university, were identified with the bureau. They consult on special subjects and criticise the work of the permanent staff. The bureau is an indirect method of adjusting the German municipal expert, who forms the central figure in German municipal administration to the American city. It offers permanency and expert advice from any source without interfering with the existing municipal machinery. It is another example, not only of the influence which the university exerts on Wisconsin, but of the flexibility of American political

institutions in adapting to our uses the methods of other lands.

I know of no place in America where officials work with more devotion than they do in Wisconsin. There is an enthusiasm in the public service that is unique. It is not confined to men from the university, it seems to animate almost all officials. Politics is a profession to which men give the best that is in them. Members of the appointive commissions, which occupy such a prominent place in the administration of the state, many members of the legislature as well as officials in the subordinate posts, are animated by a love of public service that is very different from the motives which lead men to seek public place in other states.

## CHAPTER IV

### COMPLETING THE STRUCTURE OF DEMOCRACY

WE adopted the secret ballot from Australia, and the initiative and referendum from Switzerland, but the mandatory direct state-wide primary is Wisconsin's contribution to democracy. It abolished every intermediary between voter and official, between principal and agent. It assumed that the intelligence used at elections could be trusted in the primaries. That is all the primary is, and it is surprising there ever could have been any intelligent opposition to its adoption. It is fundamental to popular government, for it controls the sources of government. Whoever controls the primaries controls everything else.

The results which have followed the adoption of the popular primary show that the trouble in America is not with our people, as we have assumed, but with the tools with which we are compelled to work. Only the boss can gather all the strings of the convention system in his hands, and with money, place, and personal influence direct the complex machinery to his ends. The boss has become a tradition in Wisconsin, as he is rapidly becoming in other states of

the Union which have adopted some form of primary nominations.

The Wisconsin primary was thorough. It contained no jokers. It abolished the convention, root and branch. It did away with all delegates. Now every candidate, from constable to governor and United States senator, appeals to the people directly. There is no one else to be seen; no secret pledges to be made. A man becomes a candidate by filing nomination papers signed by one per cent of the voters of the party for a state office, two per cent of the voters of a district for congressional office, and three per cent for the senate, assembly, and county offices. The petition is then filed in the proper offices and the names of the candidates, rotated so as to give no preference, go on the ballot. Primaries are held by the state rather than the parties, on the first Tuesday in September. The costs of the primaries, which are conducted the same as elections, are paid from the public treasury. Candidates for state offices meet shortly after the primary and formulate a platform and choose a campaign committee. There is no possibility of evasion, for they themselves must see to the execution of the party's pledges. And platforms in Wisconsin are now taken seriously. They are executed without equivocation. Nor is there any irresponsible campaign committee to barter legislation for money, privilege, or place. The direct primary cleans away all obstacles to direct

action. It establishes simplicity, directness, responsibility.

In 1906 the primary law was extended to candidates for the United States senate, whose names go on the primary ballot the same as candidates for other offices. The voters of each party select their candidate for the senate. This vote is not legally binding on the assembly, but in every state where popular nominations have been made, the dominant party in the legislature has obeyed the mandate of the primaries. The Wisconsin law does not go as far as the Oregon plan, under which the people first nominate candidates for the senate and then vote upon the party nominees at the November elections, the same as for any other office. They make this vote binding by pledging candidates to the assembly to register the people's will, irrespective of their party affiliations or personal choice. Oregon indirectly amended the United States Constitution by this simple device. The state sent to the United States senate George E. Chamberlain, a Democrat, who was chosen by a Republican legislature following the popular mandate, in the face of protests from the administration at Washington and the party leaders in the state.

Defects were almost immediately disclosed in the Wisconsin law. One was the ability of special interests to concentrate support on a single candidate, while progressive candidates split the vote of their faction.

This was obviated by an amendment adopted in 1911, which provided for majority nominations by means of a second choice. Under this amendment each elector is entitled to designate the name of his first choice and also the name of his second choice as nominee for each office. This is done in two parallel columns with first and second choice designations. If any candidate receives a majority of the first choice votes, he is nominated. If no candidate receives a clear majority, then the name of that candidate having the least number of first choice votes is dropped, and the second choice votes cast by his supporters are added to the first choice votes of other candidates for whom they are cast. This operation is repeated until some candidate has a majority. This results in securing majority nominations and an expression of the matured judgment of the party.

Direct primaries, too, are expensive. They give an advantage to the rich candidate, who is able to employ workers, distribute literature, and bribe voters. Money is also powerful in elections. A corrupt practices act was adopted in 1911 to check these evils. By its provisions the amount that may be expended and the purpose for which it may be used are fixed by law. Money can only be spent for personal hotel and travelling expenses, for postage, telegraph, and telephone charges, for payments to the state, to the campaign committee, for stationery,



rentals, clerical assistance, and advertising. The amount is also limited. The maximum is as follows: by candidates for United States senate, \$7,500; by candidates for representative in congress, \$2,500; for governor and the supreme court, \$5,000; for other state offices, \$2,000; for state senate, \$400; for the assembly, \$150, and by candidates for county, city, or local offices, to a sum not exceeding one-third of the first year's salary of such office. Candidates may designate their committees or representatives, who, along with the candidate, must file itemized statements of disbursements. No candidate's name may be printed on the ballot unless a statement has been so filed. Political newspaper advertisements must be marked in capital letters "paid advertisement." No candidate may promise appointments or employment to promote his election. Nor may employers print or make threats or suggestions to the effect that in case any particular person or party is elected that work in their establishment will cease or that places of employment will be closed. Publicity is made easy for candidates by a provision for a public pamphlet in which candidates may print their biographies, an account of their public services and platform, which shall be printed by the secretary of state and mailed to each voter in the district. The penalties for violating the corrupt practices law are very severe. Any candidate convicted under its provisions is ousted from the office to which he has been elected,

which ouster is in addition to any criminal proceedings that may be brought against him.

At the same session of the legislature Wisconsin divorced national, state, and local elections by providing for separate ballots for each. It did not follow the Massachusetts ballot, on which candidates for each office are arranged under that office, but it divorced issues by providing for separate ballots for national, state, and city tickets. By this means voters can easily support a Republican national ticket, a Democratic state ticket, and a Socialist city ticket. This law was aimed at the indiscriminate sacrifice of all other questions and policies to the overshadowing issue in the campaign.

There remained but one step in the programme of popular government, and that was the extension of the popular choice to the nomination of candidates for president and vice-president. Primaries for this purpose could not be made mandatory; there would still be delegates and conventions. But Oregon had evolved a device through the initiative for what has come to be known as the presidential preference law. Under it, in years when a president is elected, the party primaries are to be held in the spring. At these primaries the names of candidates for president and vice-president are placed on the ballot, the same as those for any other office. Voters express their choice for presidential candidates, and at the same time choose directly delegates to the national con-

ventions. Delegates so elected are paid their traveling expenses up to \$200 by the state, and take an oath to carry out the expressed will of the party, in so far as possible, at the convention. Here again the obligation is only a moral one, but it is as binding as that which holds a presidential elector true to the vote of his state. The delegate cannot barter or trade for personal profit; he cannot be used as a pawn against the will of his constituents. He becomes a registering agent until his cause is hopeless, and then uses his best judgment in supporting a second choice.

Wisconsin added a provision for this purpose to its primary law in 1911. It did not follow the Oregon plan, but merely made provision for the direct election of delegates at an election held in April, and provided that candidates for president and vice-president could have their names placed on the primary ballot and be voted for by the people directly. The vote when tabulated is a direction to the delegates to the convention. This measure, first adopted in Oregon in 1910, has spread to New Jersey, Nebraska, North Dakota, California, and Wisconsin. It will be used by these states in the presidential nominations of 1912.

Undoubtedly this law will be so generally adopted within the next few years that hereafter candidates for president and vice-president will be nominated by the people directly the same as candidates for

minor political offices. As it is now, the people have little voice in the choice of presidential candidates. The party out of power is open to control by business interests. They alone can manufacture public sentiment, finance a movement, and promote a candidacy. They almost always control the national committees of both parties, which designate the time and place of conventions in the interest of the candidacy of some person in whom they are interested. On the other hand, the nominations of the party in power are easily controlled by the President through patronage. Federal appointees are active in local politics. They pick the delegates to the national convention. When the Republican party is in power, the southern states and territories, which have among them 338 votes in the convention, are subject to the President's will. They elect one-third of the delegates. Through them the President can almost always name himself or dictate his successor. He has only to secure 153 additional votes from the northern states, while any other candidate has to secure 491.<sup>1</sup>

The general adoption of a presidential primary will put an end to the control of the highest office in the land by federal office-holders and wealth; it will convert the convention into a registering body, and will lead to the nomination of known candidates

<sup>1</sup> The number of delegates has been increased by the reapportionment of delegates based on the census enumeration of 1910, but the distribution is not materially changed.

rather than dark horses. No President will then be able to dictate his successor, and privilege will find difficulty in controlling 20,000,000 voters.

The direct primary, second choice, senatorial primary, corrupt practices act, and presidential preference laws form the machinery of popular representative government. They insure responsibility and responsiveness. They abolish all intermediaries between principal and agent. Candidates make pledges only to the people who elect them. Through them the power of the boss, of the machine, and of wealth are reduced to a minimum.

The last session of the legislature (1911) carried democracy still further. Resolutions were adopted providing for amendments to the constitution by which the people can legislate directly through the initiative and referendum, as well as recall any officials except judges whom they have come to distrust. A resolution was also adopted extending the suffrage to women. These amendments will be submitted to the people for approval.

The initiative and referendum does not abolish representative government; it supplements it. It creates a new means of legislation. By means of the initiative, a certain percentage of the voters can propose a measure and vote upon it directly. It permits the people to amend the constitution in the same way. Under the referendum, if the legislature passes some law of which the people disapprove, they can tem-

porarily suspend it by petition, and finally veto it by vote of the people.

These devices for direct legislation, first perfected by Oregon in 1902, have swept over the country in ten years' time. They have been adopted in more or less perfect form in the states of Oregon, California, Nevada, Utah, Montana, Colorado, South Dakota, Arkansas, Oklahoma, Arizona, Missouri, and Maine. Similar amendments are pending to be voted on by the people in Washington, Wyoming, Nebraska, North Dakota, and Florida. The system adopted in Oregon is more perfect than that of most of the other states and it has been more frequently used. It is easily set in motion. A publicity pamphlet is distributed to all the voters to familiarize them with measures submitted for their consideration. But eight per cent of the voters are required to initiate a measure and five per cent to suspend an act of the legislature pending a referendum. In the last ten years Oregon has voted on sixty-four measures, of which one-half have been adopted. Through it the people initiated one of the best primary laws in the country. They extended it to United States senators. Then they added the recall on all elective officials, including judges. They gave cities and counties pure home rule in local affairs. They gave them power to control taxation and the liquor traffic. They simplified judicial procedure and adopted a workmen's compensation act. They adopted a presidential pref-

erence law. All of these measures were carefully drawn, and are being used as models by other states. Through this instrument Oregon secured a score of measures, which other states have vainly struggled to obtain for years.

Wisconsin declined to follow blindly the Oregon system of direct legislation generally copied by other states. Her representative system had been greatly improved. The legislative reference bureau, together with the experts from the university, had given the people confidence in the assembly. It was desired to retain these advantages of expert bill drafting. So the legislature amended the Oregon plan by providing that the initiative should not be used directly, but that bills and constitutional amendments should first be introduced into the legislature. There they take the regular course. They may be amended in committee or on the floor. But any bill so introduced, with or without any amendments which have been added, which is not adopted by the legislature, may be submitted to the people if a petition is filed with the secretary of state, not less than four months before the next general election, requesting that this be done and containing the names of eight per cent of the electors. Not more than one-half of such required petitioners may be from any one county. A constitutional amendment is initiated by the same process if petitioned by ten per cent of the electors. Then if a majority of those voting upon the measure

approve of it, it becomes a law without further formality. By this procedure the state retains the benefit of its experts, but reserves the right to the people to go behind their representatives, if they refuse to act.

A resolution for a constitutional amendment was also passed, providing for the recall. It was extended to all elective officials with the exception of the judiciary. The amendment directs the legislature to provide by law for carrying its provisions into effect. A resolution extending the suffrage to women was also adopted, which is to be voted on in November, 1912. The amendments for the initiative, referendum, and recall must again be approved by the legislature before they can be submitted to the state for adoption by the people.

With these amendments adopted, Wisconsin will have extended democracy to its limits so far as state affairs are concerned. It remained to extend the same freedom to the municipalities, which, as in most of our states, were the wards of the state. Their charters, powers, and details of administration were subject to constant interference by the legislature. There was little local autonomy or home rule. This guardianship of the state is one of the main causes of our city failures. It has destroyed a city sense; it has impaired local initiative. Our cities find it difficult to promote any project because of state laws which can only be altered after an exhausting strug-



gle in the legislature, frequently followed by prolonged litigation in the courts. The rate of municipal taxation is limited. So is the bonded indebtedness. Cities may not own gas, electric light, or street railway undertakings. They have little control over their water fronts, over taxation, over the land within their limits. They cannot control tenements, the height, style, or character of buildings. When power is extended to them it is frequently valueless because of some other limitation which has not been repealed. Attempts to control the public service corporations are met by injunctions prolonged in the courts until the administration which promoted the reform is out of office. Police, fire, health, school, street cleaning, and other departments labor under similar limitations. Even the wages paid are frequently fixed by state law. Municipal officials in this country are, for the most part, routine agents of the state. They have little power for constructive city building. In our fear of too much freedom we have left little chance for efficiency.

The American city waits on freedom, on home rule, on such home rule as the state itself enjoys. The German city has such freedom. It can do almost anything an individual can do. It has such powers as are not specifically denied to it. With this freedom, Germany has produced the greatest cities in the modern world, great in ideals, in experiments, in achievement.

The cities of Wisconsin labored under limitations such as these until the legislative session of 1911. Cities were divided into classes, with over seventeen third-class cities and one hundred fourth-class ones. Laws made for one class did not apply to others. The needs of one community had to be imposed on all communities within the class. The legislature was burdened with questions of local concern which encouraged "log-rolling" and trading in legislation. Finally, in 1911, the legislature swept away many of these limitations. It freed the cities from control by the legislature. Cities can now alter or amend their charters as they see fit. They can adopt a wholly new charter, or amend the existing one by their own initiative. The council may submit changes in the charter which, if approved by a majority of the voters at a referendum, become part of the constitution of the city. Ten per cent of the electors can propose a change, which is then submitted to the people in the same way. Or, if it is desired, a constitutional convention, consisting of fifteen citizens, can be called to draft an entirely new instrument. Such a convention can be called into being by resolution of the council or by petition signed by five per cent of the electors. When a new charter has been drafted by such a convention, it is then submitted to the people, and if a majority of those voting upon it approve of it, it becomes the charter of the municipality as though adopted by the legislature itself.

Under this plan, cities can retain their existing charters; they can adopt the federal plan, such as prevails in many eastern cities, or they can try the commission plan, which has been adopted with such rapidity by over a hundred cities in the last few years.

Municipal democracy was still further widened by the initiative and referendum. Under this law twenty-five per cent of the electors of the city can initiate an ordinance and call for a special election upon it or, if the petitioners are willing to wait until the next general election, fifteen per cent of the voters can propose a measure. Ordinances enacted by the council are subject to a referendum by the filing of a petition signed by twenty per cent of the electors, which petition suspends the ordinance until it has been passed on by the people.

The powers of cities in industrial matters were not widened as greatly as were their rights to frame their own charters. They cannot collect their revenues as they wish, or fix the limits of their bonded indebtedness. These latter powers are even more fundamental than those which have been granted. Such powers have been extended to cities of the Pacific coast, in which states experiments are now going forward for the utilization of the taxing power, as well as of the right of municipal ownership, to work out a programme of city building. But Wisconsin has freed her cities politically and given them a wide measure of control over their own affairs. With the co-opera-

tion of the experts of the state and the university, and with the spread of efficiency which characterizes the commonwealth, we may expect the cities to build as has the state itself.

## CHAPTER V

### REGULATING THE RAILROADS AND PUBLIC UTILITY CORPORATIONS

RAILWAY and public utility corporation control has followed different lines in Wisconsin from those followed in other states. The railway commission has emphasized the abolition of favors and discriminations, the improvement of service, the valuation of property, and the standardization of devices and accounts, rather than the immediate reduction of rates and charges. The commission determined first to know the facts in order that its decisions should be supported by exact knowledge of values and the cost of services.

In this the commission has succeeded. It employs a corps of trained men in engineering and accounting; it has studied the details of corporation management; it knows what operation and construction costs should be, and is able, through its knowledge, to adjust many disputes without the formality of a hearing.

The railway commission bill was enacted in 1905. It was the concluding piece of legislation in La Follette's programme, and is probably the most com-

prehensive measure of its kind yet enacted by any state. It has required scarcely any amendment and has been widely copied as a model by other commonwealths.

The law was novel in many of its features. It provided for the valuation of the physical property of railways as a first step in intelligent rate-making. Stock and bond issues are ignored. The public utility law, adopted in 1907, which extended the act to all local franchise corporations, provides that "the commission shall value all of the property of every public utility actually used and useful for the convenience of the public." In carrying out this mandate the commission pursues a middle course. It does not allow for good-will, for franchises, for monopoly value. It ascertains "as accurately as possible the true cost of reproduction of each item of physical property included in the inventory." This does not mean scrap value. It means valuation as a unit, as a going concern, with some allowance for all of the elements that should be considered in the value of the plant. This is the capitalization upon which returns are allowed in the fixing of rates and charges.

The act provides that complaints may be made, not only by communities and shippers, but by the commission as well. It is a prosecuting as well as a *quasi* judicial body. Much of its efficiency is due to this provision. Wide discretion is given the commission in its actions. This, too, is characteristic of

Wisconsin. It legislates in the expectation of securing efficient men to administer its laws, rather than in fear of dishonest ones. It avoids legislative detail and widens executive powers, appreciating that changing conditions make legislative prevision impossible. Railways are left free to make their own rates, but always subject to review by the commission. Rates established by the railways are *prima facie* lawful until they are decreed to be unreasonable. But if altered, the commission's rates then become *prima facie* just and reasonable. The burden of proof is on the complainant in the first instance, on the railway in the second.

Effective control has frequently failed through the ability of the corporations to enjoin the orders of the commission, and thus delay the relief granted. The railroads contended for this power in Wisconsin, but the legislature insisted that the rights of the state were superior to the rights of the carrier, and that an order issued by the commission, with full opportunity for a hearing, should stand until reversed on its merits by the courts. Orders of the commission can only be challenged by direct proceedings for their vacation on the ground that the rate or classification is unlawful or unreasonable. Provision is made for a speedy trial. No *ex parte* injunctions are permitted against the orders of the commission. It must be given a hearing before any restraining order can issue.

Corporations are required to present their entire

case at the hearing before the commission. They are not permitted to make a frivolous defence and later introduce new testimony before the courts. If new evidence is offered at the trial, the whole case, or at least the new testimony, is referred back to the commission, which can then modify its previous order. If it amends its decree, the case is tried with the new order before the court. This compels the railways to act fairly. It prevents delays.

The law prohibits rebates and discriminations of all kinds. It authorizes the commission to standardize accounts, to examine the books of the companies, to require verified lists of all passes issued, with the reasons therefor.

One of the main contests was over the method of selecting the commission. The railroads wanted it made elective. But the legislature, with an instinct for the expert and an appreciation of the difficulty of securing the right kind of men by popular election, made the commission appointive by the governor. Generous salaries of \$5,000 a year are provided, and the length of term is six years. The original railway law covers express, telephone, telegraph, and private car companies. In 1907 it was widened to include street railways, gas, electric light, water, and other local utilities, including those owned and operated by the cities.

Many railway commissions fail, either because the railways control the members, or for lack of trained



men familiar by education or experience with the problems involved. The appointees of La Follette were men of special training and known ability. Dr. B. H. Meyer, who had made a special study of transportation in Germany, was the first chairman. He has since been transferred to the Interstate Commerce Commission in Washington. Halford Erickson, a statistician and former railroad auditor, and Judge John Barnes, since elevated to the supreme bench, were the other two nominees. Their recognized honesty, ability, and fairness produced immediate confidence in the commission.

Later amendments to the public utility law repealed all franchises of the local public service corporations for a definite term of years and substituted therefor a license in the form of an "indeterminate permit." They gave the corporation a legally protected monopoly, free from new competition in its field but subject to regulation as to rates and services. It can only be deprived of its property by the municipality itself, and then on a valuation fixed by the commission. The original utility law of 1907 gave the corporations the option to exchange their term franchises for indeterminate permits. It also provided that all future grants should be of this character. But only ten per cent of the companies took advantage of this privilege, and by a later law the legislature, acting under the reserved power under the constitution to alter or amend any grant, repealed

all term franchises of all corporations and substituted the indeterminate permit therefor. In exchange for this loss, the corporations are recognized as monopolies and are given protection from the construction of competing plants. If this repeal is sustained by the courts, a means of relief is offered in other states from the long-term franchises made many years ago, frequently through corrupt alliances, which, under the decisions of the courts, have been converted into inviolable contracts so far as rates, charges, and services are concerned.

One of the first acts of the commission was to stamp out rebates, favors, and discriminations of every kind, including those of the local corporations. Special examiners appointed in 1903 discovered that \$1,000,000 a year had been paid by the railroads in wrongful rebates during the six years from 1898 to 1903. Like abuses existed in the telephone, electric light, gas, and water companies, which, under the pressure of political necessity or the struggle for business, were discriminating in their rates. Dr. B. H. Meyer says: "The whole state was literally streaked and plastered with discrimination in the rates of utilities; and in all the rest of the country, where the extent of such discriminations has not yet been determined as it has been in Wisconsin, it is quite probable that discriminations similar in character and extent likewise exist." From a study made in 1908, it was estimated that fifty-five per cent of the

utility plants were charging discriminatory rates. In one city of 4,000 inhabitants, the water company served seven big consumers without charge. In La Crosse, 113 out of 2,390 users of electric light received reductions amounting to a monthly rebate of \$1,942. In Madison, 1,360 telephone users out of 5,000 received reductions amounting to \$1,120 a month. Thousands of individuals were receiving free services. Charges for electricity covered the widest possible range for the same service. The same was true of telephones. Dr. Meyer says: "For thirty-two of the reporting (telephone) companies, eight out of every hundred subscribers received free or reduced-rate service." These were typical of the state. It has been estimated that the discriminations and favors granted by the local utility corporations amounted to \$2,000,000 a year.

The commission put an end to these practices, to the profit of the corporations, as well as to the ultimate gain of the community. It terminated all contracts which did not conform to the public schedules of rates. Accurate accounts of the business of every utility is kept, through which the commission can trace any violation of its orders in rates charged or expenditures made. The abolition of rebates has so increased earnings that the companies have not seriously suffered from the reductions in rates which have been made.

During the first five years, the commission reduced

freight rates so that the freight actually carried cost the shippers less by \$1,200,000 a year than it would have cost at the old rates. Like reductions in passenger rates involved a saving of approximately \$800,000 a year. Despite these reductions, railway net earnings increased relatively more than the net earnings for all the railroads in the United States. The increase in Wisconsin was 18.45 per cent as against an increase of 18.41 per cent for the country as a whole. Honestly administered regulation has always proven a good thing for the railroads, but a bad thing for special interests enjoying discriminatory rates. The reduction in charges stimulated business. It increased passenger traffic. Manufacturing was encouraged by the assurance of a free highway, accessible to all on equal terms. Agriculture, too, responded to the improvement in service. The abolition of free passes saved large sums. The prosperity of Wisconsin is due in no small part to the improved conditions of transportation brought about by the railway commission. There is a feeling of security on the part of shippers. For every one is treated alike. There is no difficulty about securing a hearing and disposing of a grievance. Complaints are frequently disposed of at an informal meeting in which no order is made.

Thus far the commission has shown more interest in improving service than in the reduction of rates and charges. It has compelled the railroads to put on extra trains, to better the equipment, to build

new stations, to lay switches and sidings, and otherwise improve their property. Milwaukee appealed to the commission to reduce the street railway fares to three cents. The commission made an investigation and ordered improvements in the service instead. Water, telephone, gas, and electric light companies have been required to spend large sums in improving their equipment in order that better service can be given, which in the opinion of the commission is of more immediate importance than the reduction in rates and charges.

In line with the idea of efficiency and service, the commission has standardized devices and accounts. This is one of its most valuable achievements. This is particularly true of gas, electricity, and telephone undertakings. The commission is directed by law to prescribe standard commercial units of service, as well as standards for the measurement of the quality, pressure, or other conditions pertaining to the supply. It is directed to insure accuracy of meters and appliances, and provide for the testing of the same, either on application or on its own initiative. To secure observance of its standards, inspectors travel through the state making secret examinations. They test meters, the pressure and quality of gas, the voltage of electricity by means of recording instruments.

It was found that few plants were able to comply with the standards established. Large sums had to

be spent to bring the equipment up to compliance with the rules. The heating value of gas has been increased from five to thirty per cent in different plants. The pressure has been improved. Consumers now receive what they pay for. It was found that only about 15 out of 250 electric plants in the state were giving reasonably satisfactory voltage. Plants had to be overhauled and reconstructed. Two-thirds of the consumers have been benefited by these changes, the money saving resulting therefrom being from \$100,000 to \$150,000 a year. Much of this inspection and standardizing work has been done by the engineering department of the university, which is closely identified with the commission. Advanced students are employed in the study and valuation of plants for rate-making and taxation.

The commission has become an efficiency bureau with a most exhaustive knowledge of the details of management. From the reports and data on file, it is able to tell whether a plant is being run economically or extravagantly. It can direct the introduction of economies. There are 1,100 utility plants in the state, from which comparisons can be made. Most of them are of comparable size and character. A complaining corporation is frequently directed to increase its efficiency as a means of securing increased revenues; it is denied some privilege until it adopts improved machinery for securing economy of operation.

An immense amount of knowledge has been acquired through these investigations and valuations. The engineering staff includes a corps of civil, mechanical, and electrical engineers. They value railways and the local franchise corporations; they study the equipment, meters, and condition of service. They know the physical condition and relative efficiency of plants, and from their studies become familiar with the best mechanical devices for economic and efficient operation.

Out of this information accurate standards of costs and efficiency are being formulated. Communities in controversy with private plants have all the data upon which to formulate their complaints. They know the earnings, dividends, and the actual value of the property upon which dividends are declared. The reports are of great value to managers, who find gathered in a single office at Madison and in the laboratory of the commission a standing exhibit of what is being done throughout the state.

This increased efficiency is proving advantageous to the companies. During the year 1910, the electric utilities increased their operating revenues 20 per cent and their income 29 per cent. New construction for the year increased 145 per cent over that of the preceding year. Water utilities increased their operating revenues 7 per cent, their net income 13 per cent, and construction account 24 per cent. Gas utilities increased their operating revenues 8 per

cent, their net income 15 per cent, and their new construction 22 per cent. Telephone utilities increased their operating revenues 11 per cent, their net income 9 per cent, and new construction 14 per cent.<sup>1</sup>

Rate regulation becomes a reasonably accurate proceeding with all this material before the commission. It has the reports of all the plants from which to make comparison. Waste, high salaries, leakage of any kind, are easily checked. The rate reductions thus far made have frequently resulted in a substantial increase in earnings. In 1910 the commission reduced the maximum price of electricity in Madison from 16 to 14 cents a kilowatt hour. It adjusted other rates to a corresponding lower basis. The result was that the sale of electricity increased 16 per cent, net earnings increased 24 per cent, the company increased its investment 22 per cent, and the consumers saved \$18,308 a year. In 1911 the company accepted another reduction to 12 cents without protest, or a total reduction of 25 per cent in two years. The lowering in the price so stimulated use as to more than compensate the company for the reduction.

Methods of accounting have also been standardized and made uniform. It was necessary to secure a common denominator for purposes of comparison. Many companies failed to make provision for depre-

<sup>1</sup> Address of John H. Roemer, Chairman of Railway Commission, on "The Causes and Effects of a Public Utility Commission."



ciation or maintenance. Many issued new securities to pay for repairs. Managers are importuned by stockholders to neglect needed improvements for the sake of dividends. The commission, representing the public in this regard, reverses the demand of the stockholders and insures better service. It ordered corporations to set aside certain sums each year for maintenance or the improvement of the plant. It has provided standards of depreciation. Expenditures for maintenance are allowed as part of the production cost in the fixing of rates. In some instances it was found that existing rates were too low, so the commission ordered an increase in order to permit the plant to be maintained in a proper condition of efficiency.

Municipal plants are subject to the same control as private ones. Their accounting systems have been standardized and abuses have been corrected. Local officials were at first unwilling to submit to this supervision. They resented any criticism of their rate sheets or their bookkeeping methods. In one of the cities there had been a controversy over the water plant for twenty years. One portion of the community wanted a new filtration system, while another believed the supply could be secured from subterranean waters. The issue was drawn into every election, but at no time did either faction secure a sufficient majority in the council to carry through its programme. Finally an appeal was made to the

commission by a group of citizens praying for an order to compel the city to take some steps to improve the service. The commission caused a number of test wells to be sunk to ascertain whether an adequate supply could be obtained from subterranean sources. Such a supply was discovered, and on the completion of the investigation the city was ordered to take such steps as were necessary to improve the service and reconstruct the plant. Upon the receipt of the report the council voted the necessary bonds and employed an engineer to carry on the work.

Wisconsin is testing the idea of corporation control for the rest of the country. Most persons admit that if regulation fails the only other alternative is public ownership. And it is probable that regulation in Wisconsin has checked the growth of the ownership idea. There are some complaints that the commission is too cautious; that it has not reduced rates and charges as rapidly as it should have done. It is claimed that it has been too generous in the allowances made for intangible things in the valuation of plants. It has not satisfied the demands of those who expected a surgical treatment of the abuses of the railways and public utility corporations. Up to very recently at least, none of its valuations have been appealed from, either by the companies or by the cities. As to the justice of these complaints it is impossible for any one but an expert to form a judgment. But even those who criticise the caution of

the commission admit that it has many achievements to its credit. Rebates and discriminations have been stopped, and all shippers and consumers have been placed on a plane of equality. Favoritism is said to be a thing of the past. The public utility corporation has been taken out of politics. It is no longer the chief source of corruption in the state. This is a great gain, for the railways and the franchise corporations are the controlling forces in the politics of many of our states as they formerly were in Wisconsin. It is no longer necessary for them to maintain a corrupt lobby at the state-house. They have, in fact, a legalized monopoly; they are freed from the danger of competition. The only serious menace is the possibility of municipal ownership, in which event their property is valued by the commission. Controversies as to rates and charges are settled after a full hearing.

There is an end of such conflicts within the community as rent Cleveland, San Francisco, Philadelphia and other cities in the struggle over franchise grants. For all franchises have been converted into indeterminate state permits. Full information of the business of the company is open to any citizen. The light of publicity makes the corporation more careful in the methods employed as well as in the service which it renders. It cannot contribute to campaigns or maintain a "yellow dog" fund without it being known.

Investors are protected by the supervision of new securities. Bonds of Wisconsin corporations are said to have a higher value than those of neighboring states and are advertised as issued under the approval of the commission. They have ceased to be a speculative and have become an investment security. The insistence of the commission on proper provision for depreciation and maintenance protects the investor still further. The helpless bond-holder, exiled from the management of the ordinary corporation, is represented by the state, which sees that his investment goes into the property. Still further security is given the corporation and the public by the prevention of wasteful competition. The law recognizes the utility corporation to be a natural monopoly, and prevents the duplication of plants as a waste which ultimately will have to be paid for by the community or the investor. Competing railways, water, electricity, gas, or telephone plants are only permitted where the community is inadequately served. No new permits are granted until both the community and the utility are heard and the commission grants a certificate of the necessity for the undertaking.

Under this supervision, the utility corporation is no longer a stock gambling undertaking. It has become an industry for the supply of a service which the state and the community recognize as primarily a public one.

But one large question remains. And that is

as fundamental, possibly more fundamental, than any that have thus far been solved. Can the conflict between the profit-making motive, which must of necessity animate the public utility corporation, be harmonized with the ideal for service which should be the motive of public operation? Can the state so regulate the railways as consciously to promote its development; can it adjust passenger and freight rates to encourage industry, to stimulate travel; can it make the private highway the circulatory system of the commonwealth? Can the local public utility corporation be so controlled as to develop a housing, industrial, and social programme? Or can this only be achieved through ownership and operation? Obviously the state cannot experiment with private property. It can experiment as it wills with its own. We see the elasticity of management in public water plants, see the ease with which rates and charges are adjusted to uses, see the force of public opinion compelling the introduction of filtration plants or the improvement of water supply. In England and Germany the street railways, gas, and electric lighting plants, owned by the cities, are developed into agencies of social service in a way that is only possible when the community is able to adjust its balance sheet to a municipal programme of which these undertakings are but a part. Public opinion is able to coerce officials, the talent of the com-

munity is able to suggest new ideas, when service rather than profits animates the operation of these industries.

European governments show what can be done with the railways when they are in the hands of the state. When Switzerland took over the railways a few years ago it immediately improved the condition of the employees; it reduced freight rates and arranged the passenger fares to promote travel. In Belgium the state uses the railway system to distribute the working population far out of the cities into the surrounding villages. In Germany the railways are the most influential agency in the upbuilding of the empire. There is no conflict with the government or with the cities; no struggle over water-fronts or for monopoly. There is no attempt to strangle an industry or a community. Rather the reverse is true. Export trade is encouraged by adjusting rates to industry. Fuel rates are arranged to the same ends. With the idea of profits subordinated to service, improvements, safety devices, and efficiency are promoted in countless ways. Under ownership the street railways, the gas, water, and electric lighting undertakings, the steam railroads, express and other services take their place as the vital organs of the social body; they are operated for the well-being of the community, for the proper distribution of population, for the reduction of the cost of living, for the encouragement of all

industry, for making easy the proper development of the state.

However perfect regulation may be such ideals as these are impossible so long as private ownership, animated by the desire for profits, remains. We can regulate only in a limited field; can correct only positive abuses. It is not within the power of any commission to utilize the property of a corporation to carry forward a social programme without regard to its effect on the property which it controls.

## CHAPTER VI

### SHIFTING THE COSTS OF HUMAN INJURY

It is impossible to measure the influence of the common law on our every-day life. It is woven into our habit of mind as is no other institution, unless it be the church. From it we get our ideas of property, of what is right and wrong, of civil and criminal law. Through it the ethics of the seventeenth and eighteenth centuries have become the rules of conduct of the present day. Through the common law many of the abuses and class relations of feudal times have been imposed upon us.

As a system of jurisprudence, the common law draws its life from what has gone before. It is built on precedents altered only by slow judicial interpretation. The doctrine of *stare decisis* binds the court to the decisions of an earlier age, no matter what revolutions in social conditions may have taken place in the interim. The common law looks backward. It changes more slowly than any other institution. In addition, judges are conservative by training. Employed for the most part as lawyers in the defence of property, when they become judges their minds are colored by previous employment. They con-



tinually widen the rules of some earlier decision for the protection of property. Slender dicta or accidental analogies offer a sanction for new decisions, which may cost society unnumbered millions as well as unmeasured sacrifice before they are reversed or changed by legislative action. The Dartmouth College case, with its subsequent interpretations, converted legislative acts into inviolable contracts. It protected franchise grants and sanctioned the issuance of thousands of millions of inflated securities, which have been a continuing mortgage on the nation. The income tax decision, reversing the holdings of the supreme court of the United States for nearly a century, deprived the government of a means of equalizing the burdens of federal taxation, while decisions based on the fourteenth amendment to the federal constitution, the widening of equity powers, the assumption of the right to issue injunctions in labor disputes, are instances of the costs of the common law, and the extension of the judicial opinions of an earlier time into present day life.

The historic case of *Priestley vs. Fowler* has been a Pandora's box of evil to society. It has sanctioned criminal neglect by employers; it is responsible for unnumbered instances of miscarried justice, of human suffering and destitution beyond measure.

Back in 1837, in one of the rural communities of England, one Priestley was employed by a butcher named Fowler. Priestley and a fellow-worker were

peddling meat when the cart broke down, and one of the legs of Priestley, who was on the cart, was severely injured. Priestley sued Fowler in the courts to recover damages for his injuries. He was the first employee who ever ventured to bring an action under the English law to recover damages from his master on any similar state of facts. Priestley alleged in his complaint "that the defendant did not use proper care to see that the van [butcher's cart] was in a proper state of repairs, and was not overloaded, and that in consequence of the defendant's neglect in each of its duties the van gave way and broke down, and the plaintiff was thrown to the ground."

The jury gave a verdict to the plaintiff for one hundred pounds. The judge set the judgment aside. An appeal was taken, and the high courts decided that there was no ground for the action, saying that the employee must be held to have assumed the risk of his employment and himself must be the sufferer for the negligence of a fellow employee. The following year the decision was approved by the courts of Massachusetts and became the law of this country.

Mr. Gilbert E. Roe, of the New York bar, commenting on this decision, says:

These principles of law, devised by an English judge nearly a hundred years ago, in order to protect a master from liability for injury to his servant caused



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by the breaking of the horse-cart on which he was riding, as applied by our courts, have saved countless millions of dollars to the employing classes in this country, while they have killed and made paupers of untold thousands of laborers and their wives and children. These principles, as applied by our courts, have bred in some of the employing classes, a reckless and wanton disregard of the safety and lives of the employed, and have aroused in the latter a class hatred which is a constant menace to our society and government. No one can estimate the suffering, or count the army of the dead and crippled, born of these dogmas of a primitive industrial time. I quote from the recent report of the American Association for Labor Legislation, where, referring to the statistics of railway casualties compiled for the year 1910, it is said:

We find that nine men were killed each twenty-four hours, and that one was injured or killed every seven minutes. To be specific as to casualties as they occur in the engine, train, and yard service, is to say that one man was killed for each two hundred and five employed, and one was injured for every nine employed.

War is safe compared to railroading in this country. I continue the quotation:

What do the railways pay? No one knows; but it is reasonable to say that ten per cent of injuries and deaths for which compensation is paid, is the answer, and the average amount paid is low. . . . The miners claim that four men are killed in America to one in Europe, and it is admitted that mining ordinarily and normally ought to be accompanied with less danger here than abroad. Structural iron and steel workers and electrical workers stand a heavy loss in death and disability only to be guessed at in the total, for we lack full statistics covering these occupations. It has been estimated that annually 4,000 Pennsylvania miners are killed or injured, and the records of Allegheny County, in

which the great iron and steel industries of the Pittsburg district are located, showed 10,000 casualties a year, a large proportion of which were deaths or total disablements, and eighty per cent of which were inflicted upon men under forty years of age. Few of these casualties have hope of recovery, because no one was at fault, and the others have been divided among a half dozen causes, few of which contained hope of recovery from the courts.

The laborer assumed the risk of the employment. From the same report I quote again:

A system of almost perfect mechanical production has been installed, and the man must keep pace with it. So much must be produced per man, per machine, per hour, and the man knows if he falls below the minimum of production he will lose his job, and a job is a job even in this land of opportunity. He knows the inexorable rule. The result is that to change a gear, shift a belt, adjust a feed, or any one of the thousands of ways that are offered the man to take a chance and keep his machine going without loss of time, are accepted at the price of safety, and he pays the price. The employer pays nothing. The occupational diseases that must be assumed by the employee, of which there is really no record, must be considered among the casualties, although they have little hope of compensation. All of them add to the burden of general human misery arising from suspended or decreased wages. So we say advisedly, until sane rules of employment regulate industry, until it costs more to kill a man than to protect him, until the man and the machine are brought closer to the relative endurance of each other, and safety devices are installed that automatically will prevent accidents, we shall have an annual casualty roll that will warrant a repetition of the statement, that the mines are stained with the blood of their victims; every skyscraper is cemented with the blood and brawn of its builders; every large enterprise is baptized in the blood of its workmen.

American industry has been protected in every way possible by law and court decision, but the employees, the foundation of American industry, have been thrown aside as scrap, and their bruised and broken bodies added to the long roll of human wreckage to attest to the unrecompensed sacrifices made in its behalf.

Had the doctrine of *Priestley vs. Fowler* been confined to the facts or situation involved, it would have done little harm and would now be merely one of the curiosities of the law. But our courts have taken the doctrine of that case, and made it control and decide cases differing from it in their facts as much as the simple butcher's cart, drawn by a horse to furnish meat to the countryside, differs from the modern ice-packed refrigerator car which traverses a continent in a few hours. Under the rule of assumed risk, the courts say that the section-hand injured by collision with a wild engine, of the approach of which he had no warning, cannot recover, for this is one of the risks of the business.

So the list might be indefinitely extended, showing how the courts have built up a body of law to protect the employing classes from liability for injuries to their employees, which a humane and enlightened public sentiment long ago became convinced the employers should bear. That England, wherein the doctrine of assumed risk and the fellow-servant rule originated, long ago discarded both, seems to have meant nothing to our courts.<sup>1</sup>

Three-quarters of a century passed before any steps were taken in this country to correct the results of the decision in *Priestley vs. Fowler*. The decision of an English judge controlled the courts in the face of a revolution in industry. Neither the courts nor the legislature had the courage to repudiate the precedent and compel the employer to protect his employees. On the contrary the judges continually widened the doctrine until recovery be-

<sup>1</sup> *Our Judicial Oligarchy*, Gilbert E. Roe, chapter VII.

came so costly, so tedious, so exceptional, as to render the employee almost remediless in the courts.

In 1909 the legislature of Wisconsin created a legislative committee to investigate the whole question of personal injury, industrial insurance, and workmen's compensation. It labored for two years; gathered testimony from Germany, England, and other European countries. It took the opinion of experts, of employers and employees, and in 1911 presented a bill to the legislature embodying the results of its labors. The measure had the approval of many employers, who co-operated to secure its passage. This was largely due to the thoroughness of the committee's labors. It first prepared a tentative measure, which it distributed to interested parties all over the state. The proposed law met with great opposition. Hearings were held at which representatives of capital and labor confronted one another before the committee. From the information gained at these hearings a second tentative measure was drafted which was subjected to the same criticism. A third bill was drawn, then a fourth, finally, after these tentative measures had been subjected to the criticism of the state and after all classes had become acquainted with its underlying purposes, a measure was prepared which had the approval of the commission and the public and which passed the legislature with very general approval. This indicates the thoroughness which



has come to characterize the legislative work of the state; it indicates the methods employed to allay opposition and promote an understanding of measures. It is this that has so educated the state of Wisconsin on political, social, industrial, and educational questions, that each step in the progressive programme becomes easier than the last.

The bill was accompanied by a comprehensive report on the subject of workmen's compensation, which covered the whole field of industrial relations. The ends which the measure was designed to insure were:

- (1) To furnish certain, prompt, and reasonable compensation to the injured employee.
- (2) To utilize for injured employees a large portion of the great amount of money wasted under the present system.
- (3) To provide a tribunal where disputes between employer and employee in regard to compensation may be settled promptly, cheaply, and summarily.
- (4) To provide a means of minimizing the number of accidents in industrial pursuits.<sup>1</sup>

European countries have made industrial insurance compulsory. Employers are compelled to pay the cost of such insurance without contribution from the employee. The compensation is provided at a fixed scale for injuries or death, the insurance being paid like any other fixed charge by the

<sup>1</sup> Report of special legislative committee on industrial insurance. Wisconsin legislature, 1910, pages 5, 6.

employer, who then adds the insurance premiums to the price of the commodity and shifts it onto the consumer. Human life is recognized as an element of cost, the same as the wear and tear of machinery.

Wisconsin had to coerce employers into protecting their employees by denying them the legal defences of "fellow servant" and "assumed risk." With these defences taken away the probability of heavy damages made it more profitable to provide compensation by insurance than to assume the risk of heavy legal damages for an injury. The act provides that "in any action to recover damages for a personal injury, or for death resulting from personal injury so sustained, in which recovery is sought upon the ground of want of ordinary care of the employer, or of any officer, agent, or servant of the employer, it shall not be a defence :

(1) That the employee either expressly or impliedly assumes the risk of the hazard complained of.

(2) When such employer has at the time of the accident in a common employment four or more employees, that the injury or death was caused in whole or in part by the want of ordinary care of a fellow-servant.

With these defences abolished, the right to recover for personal injuries incurred in industry is reduced to the simple questions of, first, was there an absence of ordinary care on the part of the employer which directly caused the injury; and, second, was there

no want of ordinary care on the part of the employee which directly contributed to the injury. If, however, the employer elects to come under the compensation act and pay a definite scale of damages for injuries sustained by his employees then he is not subject to the provisions of the above section. It applies only to those who decline to insure their employees. The law was not extended to railroad employees engaged in operation, who are protected by another measure. Railway shop employees are, however, included.

Under the act compensation is provided in fixed amounts irrespective of fault or negligence. It is paid as a matter of right without the necessity of legal inquiry.

Employers who accept the provisions of the act are required to furnish: (a) medical treatment immediately after the injury; (b) compensation at fixed and definite amounts for the injured employee, or, in case of death, immediate compensation to his dependents. "There is no time in case of a serious injury," said the legislative committee, "when aid is so greatly needed as immediately after the injury. The medical attendance should be efficient and prompt. The committee has endeavored to meet this situation by requiring the employer in all cases to furnish free medical and surgical treatment for ninety days, and by requiring that the compensation be paid on the fifteenth day after the injury

and weekly thereafter, thus meeting the urgent requirements of the injured employee and his dependents."

The compensation is to be paid weekly like wages, on the scale of the man's previous income. In case of disability the employee receives 65 per cent of his average weekly earnings during the period of such disability, as well as an additional 35 per cent, making 100 per cent of his wages in all, in case the accident is so severe as to require a nurse.

The total indemnity for injury to a single employee for a single accident is limited to a maximum of four times the average annual earnings of the employee, while the aggregate period of the insurance shall not in any event extend beyond fifteen years from the date of the accident.

In case death results and dependent persons are left by the deceased, the indemnity is based on four times the average annual earnings, but in no case is less than \$1,500 nor more than \$3,000. This is paid to his dependents in weekly instalments corresponding in amount to the weekly earnings of the employee.

The act further provides that the minimum basis of wages on which indemnity is calculated shall be \$375 per year, and the maximum \$750. This raises the scale above the minimum wages of women, children, and unskilled laborers, and keeps it fairly within the industrial classes. The scale is more

liberal than that proposed in any other state. The New York law provided for the payment of fifty per cent of the average weekly earnings, and in the case of death for a maximum of \$3,000. The employer himself is required to provide medical and surgical treatment, because it is to his interest to furnish the best care possible in order to insure the earliest possible recovery of the injured person.

Precautions are taken to insure that the employee receive the full compensation allowed by the act. The committee made an investigation and found that in 1904 only 29 per cent, and in 1908 only 50 per cent, of the amount paid by employers to employers' liability companies to indemnify them ever reached the injured employees or their dependents or their attorneys, while of this 29 and 50 per cent not more than 60 per cent ever reached the employee or his dependents, the other 40 per cent being used up as attorney's fees or in cost of litigation. In other words, in one year the employer paid \$82 in order to carry \$18 to the employee, and in the other \$70 in order to carry \$30 to the injured employee. This waste is saved by ignoring questions of fault or negligence, and by fixing definitely the amount to be paid.

Finally it was necessary to create a tribunal promptly to adjust any disputes which might arise between the parties. Under the present system litigation is protracted. It is costly to all parties.

A new tribunal was created known as the industrial commission, which, in addition to other duties, sits as a court to hear all controversies over compensation and to compromise claims under the act. The board only acts in case of dispute, for the act specifically provides what the measure of damages shall be, and expects it to be paid by the employer as a matter of course.

Promptness and finality in awards is provided by making the decision of the commission conclusive, subject only to review in the courts on the ground that the commission acted outside of its powers, or that the award was secured by fraud, or that the findings of fact do not support the judgment. All technicalities are abolished, as are opportunities for prolonged appeal, re-trials, and delays.

The act could not be made obligatory on employers. Nor could the employee be compelled to abandon his common law right of action. The act only comes into operation when invoked by both parties. The employer escapes the common law liability, which is greatly increased by the taking away of the old defences, by filing with the industrial commission a written acceptance of the law, with all its liabilities. This notice is limited in its application to one year, but continues for successive years without further action, unless the employer, sixty days prior to the expiration of any year, files a notice electing to withdraw from its

provisions. The employee comes under the act, without any affirmative action on his part, on its acceptance by the employer. The employee can, if he choose, elect to abide by his common law rights by giving his employer notice in writing to that effect. Under such an election he waives all rights under the industrial insurance clauses. He is not permitted to wait until after an accident and then decide as to whether he will sue under the common law or accept the regular scale of compensation. He must do it on entering employment.

The act went into effect in 1911, and despite the fact that its legality was attacked in the courts, 210 employers had filed their acceptance of its provisions up to the end of January, 1912, with the liabilities which it involves.

The abolition of the defences of "fellow-servant" and "assumed risk," along with the compensation act, gave protection to the worker and a fixed compensation for injuries without the necessity of litigation. It coerced the employer to make his place of employment safe by increasing his risks. But it left the employer at the mercy of the accident insurance companies who might arbitrarily increase rates and injure the industries of the state. To protect the employer from this hazard the insurance law was amended so as to provide for the organization of mutual employers liability insurance companies. This law followed German models, in

which country all wage earners are insured by associations of employers organized according to trades. These associations are 'self-governing but are under the supervision of the state insurance boards. An employer becomes a member of an insurance association *ipso facto* on the establishment of an undertaking. He becomes liable to insure his work people and to pay contributions on their behalf. Premiums are assessed according to the risks of the industry. The workmen make no contribution, the whole liability being borne by the employers. These companies have the right to enact rules for the safeguarding of factories and the prevention of accidents. If an employer refuses to comply with these rules he may be fined and his insurance increased. Employees are represented in the administration and are consulted in the preparation of rules for safety and protection. Compensation is paid to the worker irrespective of legal technicalities or defences according to a fixed scale of compensation.

Legal obstacles which make this compulsory plan impossible in America were met in Wisconsin by a law authorizing employers to organize mutual accident insurance companies. Such a corporation may be organized by fifteen or more residents of the state to provide against loss or damage, by sickness, bodily injury, or death by accident of any person, subject to the limitation that each person



or corporation in the association shall have one vote, and its organization shall be approved by the commissioner of insurance. Two such mutual insurance companies have been formed. The first one includes within its members the largest and strongest manufacturers in the state. It does a general liability insurance business in all lines. A second has been formed by the master plumbers association of Milwaukee to do liability business for plumbers. These companies are mutual in character like the mutual fire insurance companies.

It is to the interest of all the members of such an association to improve working conditions, to reduce the risk of accidents, and to co-operate with the industrial commission to coerce employers who are recalcitrant. By this means the state appeals to the self-interest of manufacturers to improve factory conditions.

The law repealing the common-law defences of "assumed risk" and "fellow-servant," was attacked as unconstitutional in the courts. But the Wisconsin court, which generally reflects and sympathizes with the progressive movement in the state, upheld the law. The court, in a remarkably advanced opinion, said:

When an eighteenth century constitution forms the charter of liberty of a twentieth century government must its general provisions be construed and interpreted by an eighteenth century mind sur-

rounded by eighteenth century conditions and ideals? Clearly not. This were to command the race to halt in its progress, to stretch the state upon a veritable bed of Procrustes. . . .

Continuing, the court said:

It is a matter of common knowledge that this law forms the legislative response to an emphatic, if not a peremptory public demand. It was admitted by lawyers as well as laymen that the personal injury action brought by the employee against his employer to recover damages for injuries sustained by reason of the negligence of the employer had wholly failed to meet or remedy a great economic and social problem which modern industrialism has forced upon us, namely, the problem of who shall make pecuniary recompense for the toll of suffering and death which that industrialism levies and must continue to levy upon the civilized world. This problem is distinctly a modern problem. In the days of manual labor, for the small shop with few employees, and the stage-coach, there was no such problem, or if there was it was almost negligible. Accidents there were in those days and distressing ones, but they were relatively few, and the employee who exercised any reasonable degree of care was comparatively secure from injury. There was no army of injured and dying with constantly swelling ranks marching with halting step and dimming eyes to the great hereafter. This is what we have with us now, thanks to the wonderful material progress of our age, and this is what we shall have with us for many a day to come. Legislate as we may in the line of stringent requirements for safety devices or the abolition of employers' common-law defences,

the army of the injured will still increase, the price of our manufacturing greatness will still have to be paid in human blood and tears. To speak of the common-law personal injury action as a remedy for this problem is to jest with serious subjects, to give a stone to one who asks for bread. The terrible economic waste, the overwhelming temptation to the commission of perjury and the relatively small proportion of the sums recovered which comes to the injured parties in such actions, condemn them as wholly inadequate to meet the difficulty.<sup>1</sup>

<sup>1</sup> *Borgnis et al vs. The Falk Co.*

## CHAPTER VII

### THE INDUSTRIAL COMMISSION

THE abolition of the old common law defences, together with the compensation act, assured the worker, whose employer came under the act, a money compensation for his injuries. It did not insure safe conditions of employment. The mutual insurance company plan enabled the employer to carry insurance at its actual cost. Both of these measures come into operation by act of the parties. Only indirectly do they improve conditions of employment or safeguard the community from the social loss which accident and disease involve.

The industrial commission act adds the coercive arm of the state to that of self-interest, to which the other laws appeal. Its purpose is to minimize the hazards of industry; to insure health and safety and prevent the social waste for which even insurance does not compensate.

But the act goes much farther than this. It departs widely from previous legislation by creating a board of experts not dissimilar from the railway commission, with the most comprehensive control over industrial conditions. It creates a

tribunal of three persons appointed by the governor, with executive and quasi-judicial and legislative powers. The first appointees were C. H. Crownhart, J. D. Beck, and John R. Commons, all men of recognized ability and ardently interested in the motives behind the measure. Professor Commons is probably our foremost expert on labor and industrial questions.

The powers of the board are almost coextensive with the industrial field. It has authority:

(1) To employ and control all the deputies and employees usually identified with the factory department.

(2) To administer and enforce laws relating to child labor, laundries, stores, employment of females, licensed occupations, school attendance, bakeries, employment offices, intelligence offices and bureaus, sweat-shops, fire escapes, and all matters relating to the erection and repair of buildings and structures, and all other laws protecting the life, health, safety, and welfare of employees.

(3) To investigate and prescribe safety devices and means of protection to employees, and to protect their welfare as required by law; to establish museums of safety and hygiene.

(4) To fix reasonable standards and to enforce its orders for the adoption of safety devices and means of protection, to carry out the laws and orders for the protection of life, health, and safety of employees.

(5) To do all in its power to promote voluntary

arbitration, and the solution of disputes between employers and employees. It may appoint temporary boards of arbitration.

(6) To establish and conduct free employment agencies, to supervise private employment offices, to make known opportunities for work, to aid minors in undertaking skilled employments, to provide industrial or agricultural employment for vagrants, and to encourage wage-earners to insure themselves against distress from unemployment. It is ordered to investigate the extent and causes of unemployment in the state and remedies adopted therefor in this and other countries, and to devise and adopt means to avoid unemployment, to provide employment, and to prevent distress from involuntary idleness.

The act departs widely from the legislation of other states as well as the previous legislation of Wisconsin. It introduces a new idea into administration. The commission is ordered to cure a disease, not to administer certain specified remedies irrespective of their efficacy. It is given a free hand with wide discretionary power. It has almost the whole field of industrial and social welfare under its jurisdiction. Like the public utility commission, it is an arm of the legislature in permanent session to crystallize into definite commands the general principles of social welfare above enumerated.

Factory legislation has very generally failed in

America because of our attempt to enumerate with the minutest detail the evils to be corrected. Little latitude has been given to factory departments, because of court decisions to the effect that the granting of such discretion is a delegation of legislative power which the constitution forbids. If the law says that shafting and belting must be safeguarded, the inspector cannot widen the law to include buzz-saws and other dangerous machinery. And if, as is constantly happening, conditions change, the only means of meeting the new conditions is by another law. In consequence factory legislation lags many years behind the evils to be safeguarded, while the factory inspectors, no matter how conscientious they may be, are hampered by the necessity of establishing their own decision in each case after wearisome litigation. The employer is also ignorant of what he is required to do. For while the inspector's discretion is limited to things specifically enumerated, he has wide authority to determine the things which the employer shall do to comply with the law. He can order such changes as his judgment suggests. Each inspector has a standard of his own. In consequence there is great diversity in the administration of the same law in different factories in the same state. The legal theory is that the legislature has fixed a standard and that all deputies act alike in its enforcement. This is, of course, impracticable.

This rigidity of the law explains many of our failures. Foreign countries frequently enact a general principle covering a subject, and then leave the administration of the principle to administrative boards which are in the nature of subordinate legislative bodies. Thus when France adopted a law requiring one day's rest in seven, it was done in a short paragraph and left to the ministry to issue orders prescribing the specific hours and days of labor in different districts. This method of procedure is very common in European countries. It makes for efficiency and permits the law to be adjusted to changing conditions or specific evils which cannot be provided for by general statute. The industrial commission act adopts this idea to factory legislation. In this respect it is a departure from any similar legislation in America. The idea was borrowed from the railway commission law, which controls public utilities, as the industrial commission controls industry. The railway commission is authorized to fix a "reasonable" rate for the service rendered. The courts have decided that the fixing of a "reasonable" rate by the commission was not a legislative act; it does not violate the constitutional prohibition against a delegation of legislative power. It merely makes an investigation and announces a finding, which was the "reasonable" rate the legislature had in mind. The commission is an agent for ascertaining



what the legislature had in mind and for giving it vitality.

The industrial commission follows the same procedure. It is an abandonment of the practice of providing by law for all industries and all conditions, and substitutes a kind of legislative sub-committee to enforce "safety." The law provides that "every employer shall furnish employment which shall be safe for the employees therein and shall furnish a place of employment which shall be safe for employees therein and for frequenters thereof, and it shall furnish and use safety devices and safeguards, and shall adopt and use methods and processes reasonably adequate to render such employment and place of employment safe, and shall do every other thing reasonably necessary to protect the life, health, safety, and welfare of such employees and frequenters." It is further provided that, "no employer shall require, permit, or suffer any employee to go or be in any employment or place of employment which is not safe, and no such employer shall fail to furnish safety devices or fail to adopt processes reasonably adequate to render the place of employment safe." Employees are forbidden to "remove, damage, destroy, or carry off any safety device, or interfere with the use of any method adopted for the protection of any employee."

Instead of being required to do certain enumerated, oftentimes obsolete and arbitrary things, the

employer is required to make his place of employment "safe." This is a direct and categorical command. This is very different from the factory laws of other states, where the specific things to be done or the machinery to be protected is set forth in detail in the law.

It is the duty of the commission to enforce "safety." It is a social constabulary with power to enact and enforce orders to protect the employee. It may change its orders at will, or adjust them to local conditions. In place of a score of factory inspectors, each attempting in his own way to enforce inflexible laws, the commission itself, on complaint or on its own initiative, makes an investigation, holds hearings, issues orders, and compels their enforcement. General orders are issued for all factories, and special orders for individual factories. Safety is interpreted in terms of the actual conditions of employment.

Orders are drafted after consultation with employers and employees, aided by an expert investigation by the staff of the commission. Hearings are held as to the reasonableness of the orders, as to their suitability to actual working conditions just as by the railway commission. Orders when published have the binding effect of laws, and are *prima facie* lawful. By this means factories can be controlled with an intimate knowledge of the evils to be corrected and with the co-operation of those

who know most about the subject. Any interested person may petition for a hearing before the commission on the reasonableness of its orders. But the order when made is presumed to be just, reasonable, and lawful until vacated and set aside by the courts, action for which purpose can only be begun in the circuit court of Dane County, located at the capital of the state. Such actions are given precedence over all civil suits, in order to expedite them. As in the railway commission law, no *ex parte* restraining orders can be issued against the commission. It must have notice and hearing before any injunction can issue. John R. Commons, of the commission, characterizes the new law as establishing:

Progressive and accurate adjustment of factory inspection to the changes in industry and the new risks that accompany modern industry. Hitherto, when it was discovered that the buzz-saw or the set screw had been omitted from the law, it was necessary to get together the Federation of Labor, the Women's Trade Union League, and the friends of labor, to organize them into a lobby and to go down to the legislature in order to get the words "buzz-saw" or "set screw" inserted in the law. Now it is only necessary for the Industrial Commission to show that these things are dangerous and their protection practicable. The difference is obvious. It now is practicable in Wisconsin, without further legislation, for the Industrial Commission to adopt and enforce the admirable rules of the Massachusetts Board of Boiler Rules, if they are found to be adapted

to Wisconsin conditions. So, also, the commission may learn from the novel work of "medical" inspection of the Massachusetts Board of Health and the New York Department of Labor, and may adapt to Wisconsin, so far as practicable, the best that other states and countries have been able to work out for safety and sanitation of places of work.

The programme of industrial and social legislation of the session of 1911 was completed by a series of advanced laws for the protection of women and child workers against long hours and hazardous employment. Hours of labor for females were limited to ten a day and not more than fifty-five in any week. Night work was limited to eight hours a day and to not more than forty-eight a week. An hour for dinner is required during the working period. Employers are required to post copies of the law with notice of when work begins and ends, the time allowed for meals, and the maximum number of hours of work in any one day, in a conspicuous place in every room where females are employed.

The child labor laws were thoroughly overhauled by the last legislature with an eye to the welfare of the child, rather than of any demands of the employer or the needs of the parents. Children under fourteen years of age are forbidden to work in any manufacturing establishment or any gainful employment except during vacation periods, for which a permit must first be obtained. Children between

the ages of fourteen and sixteen can only work in a limited number of places of employment and then only after they have obtained a permit. Nearly all the manufacturing occupations in which children are generally employed are closed to children under sixteen years of age, as are all employments dangerous to life or limb or injurious to the health or depraving to the morals of the child, such as saloons, breweries, bowling alleys, dance halls, pool-rooms, or beer gardens.

The hours of labor of children under sixteen in those employments that are open to them, are limited to forty-eight hours a week. Night work is forbidden, as is more than six days' work in any one week. Minors under eighteen years are forbidden to be employed about blast furnaces, docks, in erection work, or the repair of dangerous machinery, or in mines. The employment of women in or about any mine or quarry is specifically prohibited, as is the employment of boys under fourteen years of age or girls under eighteen years of age, as bootblacks or at any street trade, or in the distribution of hand-bills or circulars.

German ideas were copied again in the provision for continuation schools, by which children employed in industry shall continue their studies up to the age of sixteen years. This is only obligatory in cities where evening, industrial, or commercial schools are established, but provision is made for

the compulsory establishment of such schools so that vocational school work will undoubtedly be very general. Where such schools have been established minors between the ages of fourteen and sixteen, who have secured working permits, shall attend the continuation school not less than five hours per week for six months in each year until they reach the age of sixteen, time for which study must be allowed by the employer without loss of pay. The establishment and supervision of continuation schools falls under the jurisdiction of a state commission on industrial education, while the apprenticeship and attendance laws are administered by the industrial commission.

Wisconsin is the first state to make provision for a comprehensive system of state employment bureaus like the labor exchanges which have been so widely developed in Germany and England. The industrial commission is authorized to establish such labor exchanges in the leading cities.

Such a temporary exchange was opened in Milwaukee in September, 1911, which was not connected with the commission. Men and women applying for work are registered free. A record is made of their age and qualifications and whether they are married or single. In three months 3,800 men were registered, for whom one out of five were found jobs. Married men having children were given preference. For the first six weeks eighty

to one hundred men registered daily. Wages for unskilled labor rose from \$1.50 to \$2.00 a day during this period. Employers soon made it a practice to telephone the bureau for men, while manufacturers and farmers were kept informed of the men seeking employment through the papers. The superintendent of the temporary exchange in Milwaukee was appointed superintendent of the state system, which now includes exchanges in Milwaukee, Oshkosh, Superior, and La Crosse. In time the entire state will be covered by a clearing-house association operating through a central agency for the supply of men with jobs and jobs with men.

Wisconsin has undertaken the most comprehensive programme of human conservation of any state in the Union. The state lays down the principle that every one has a right to be protected from the dangers, diseases, and exhaustion of modern industry. The laws enacted are a declaration, too, that the state has an interest in the health of its people; that property must be so used as not to injure humanity; that the purpose of organized government is to promote the well-being and working efficiency of its citizens.

Wisconsin has declared war on the unnecessary waste of the present industrial system. The state has recognized the helplessness of the factory worker. He is no longer a free agent; he cannot choose the place or the conditions of his employ-

ment. He cannot make provision for old age, for sickness, for accident. He is scarcely able to provide for the education of his children, or keep his wife and child from the mill and the factory. The competition of men out of work tends to lower wages and the standard of living. The competition of the market forces the most humane employer to adopt the standard set by the least scrupulous. He is driven to pay the minimum wage, to substitute women for men, and children for women. He must work such hours as his competitors fix. He drives as hard a bargain as he can with the individual or the union. Except in a few monopolized industries, the employer himself is unable to control the conditions of employment.

In this industrial struggle the workman is at a disadvantage. The substitution of new machinery, or the changing conditions of industry, bear most heavily upon him. He is the first to suffer during hard times. The employer can most easily economize in his wages. The worker is helpless save as he is protected by the unions, which include only a small proportion of the working classes and do not reach the women or the children at all. He has become dependent on the machine which he no longer controls. His health is imperiled by unsanitary conditions. Family life is destroyed when his wife or children enter the factory. All are subject to new dangers, to extraordinary hazards which did



not exist in an earlier age. Only the state can offer protection. Only by law can the wastage of life, health, and future generations be stayed.

The industrial commission act has laid the foundations for an industrial programme not unlike that of the German Empire. It is the guardian of the state no less than the worker. Through employment agencies it will do much to bring the workless worker to the employer. This will check trampdom and vagabondage. The commission is authorized to investigate the causes of unemployment and to promote such activities as will relieve the periodic distress of the unemployed. School attendance falls within its powers, as does the arbitration of industrial disputes. In all these activities it is given wide latitude, and, animated as its members are with an enthusiasm and knowledge for their task, we may expect the development of a constructive experiment of great value to the nation.

## CHAPTER VIII

### STATE INSURANCE

THE possibilities of state or mutual insurance as an agency of social welfare has been maturing in the minds of men in Wisconsin for many years. Through insurance many of the casualties of life can be provided for; through it old age can be relieved of some of its terrors, as can sickness, accident, or the hazards of industrial employment. In Europe insurance is used to protect workmen from temporary loss of employment. Some German cities have developed a system of motherhood insurance. Hamburg insures all property in the city, both public and private, against fire, as do some of the German states. The time will come when society will provide, as one of its natural functions, for the insurance of all people against the hazards of our complex industrial and social life with the vicarious costs which it involves.

Repeated suggestions had been made in Wisconsin for a state life insurance fund. The idea originated during the investigations of the old line life insurance companies conducted by the legislature six or seven years ago. Herman L. Ekern, the

present insurance commissioner, then a member of the legislature, was a member of the committee, and through his study of the subject he became a recognized expert in insurance matters. Following the legislation enacted twenty-three life insurance companies withdrew from the state rather than comply with statutes which compelled them to report to policy-holders the annual earnings of their policies. An independent study of state life insurance was made by the senate members of the committee. Nothing came of the matter, however, until 1911, when an act was passed providing for the organization of what is in effect a state life insurance company managed and conducted by the state, the same as a private corporation.

The idea of state insurance was not new in Wisconsin, for the state had insured its asylums, its university, state-house, and other public institutions against fire since 1903. The capitol had burned down in 1905 and left a deficit in the fire insurance fund of \$190,000. Most states would have abandoned an experiment after such a disastrous loss. But Wisconsin stuck to the principle and the accumulations of subsequent years have wiped out this deficit. The state charges itself less than sixty per cent of the premiums of the New York fire insurance companies, and is so content with its experience that in 1911 it extended the privilege of the insurance fund to counties, while

cities and school districts are urging that they, too, be permitted to enjoy its advantages.

The state life insurance fund, for which provision was made in 1911, follows closely the experiences and business methods of the private life insurance companies. Four state officers, the commissioner of insurance, state treasurer, state auditor, and state health officer are *ex officio* trustees for the management of the undertaking and the investment of its funds. The provisions of the law are very conservative, so as to avoid the possibility of failure. The right of insurance is limited to persons resident within the state, while the liabilities incurred are confined to the fund itself. All the transactions of the trustees are subject to supervision by the commissioner of insurance. Policies may be issued to persons between the ages of twenty and fifty years. Insurance may be taken out in sums of \$500 or multiples of \$500 up to a maximum of \$1,000 until the number of insured persons exceeds 1,000. Then the maximum insurance limit is raised to \$2,000 until the number of insured reaches 3,000. The total insurance under the law may not exceed \$3,000 for any individual. Provision is also made for annuities as a protection against old age. This idea was taken from European countries where this form of insurance is very popular. It is designed for the protection of persons of small means, who are enabled in this way to make provision for old age or

invalidity. Annuities are limited to persons of sixty years of age or over and may be issued for the sums of \$100, \$200, or \$300 a year. The policy may combine both a life insurance provision and an annuity. Mr. Ekern, explains the motive of annuity insurance as follows:

The state is directly interested in the questions of whether its citizens make provisions for their dependents and for themselves in old age. This goes far beyond the mere question of dollars and cents expended in poor relief. The saving of the self-respect of the unfortunate, the securing of the contentment and happiness which springs from the assurance of support in old age or in adversity, and the opportunities in life so afforded dependent children, are considerations which can in no instance be measured in money. The state exists to contribute to the happiness and well-being of its citizens. These objects can be furthered by sound insurance and annuities. Thrift and savings are desirable, and to these ends doubly desirable. To encourage these virtues for these purposes with the greatest economic saving through the life fund is the plain duty of the state.

The state life fund has been surrounded with every precaution. Life premiums are based upon the American Experience tables of mortality, with additions for extra hazards and with interest at three per cent, and an addition for expenses and contingencies amounting to two dollars a year for \$1,000 of insurance, and one-sixth of the value

of the insurance, distributed equally through the premium payments. The basis for annuity premiums is that of the British Office's annuity tables, with interest at three per cent, with a like one-sixth addition for expenses. Applicants must be examined by a local medical examiner, for which a fee of two dollars is deposited by the applicant. No solicitors are permitted. The state does not want the fund to grow too rapidly. By this means, too, agent's expenses are eliminated at the outset. Applications may be filed at any state bank or with state factory inspectors or local clerks or treasurers, the person receiving the application being authorized to deduct twenty-five cents as well as one per cent of the first premium as his fee. The insured can make his own application, if he desires, and keep these fees himself.

While the initial charge of insurance is substantially the same as that of conservative private companies, the ultimate cost is greatly reduced, because there are practically no expenses connected with the administration of the fund. All of the earnings, aside from the surplus for the protection of policyholders, is distributed annually to the insured, who thus receive in dividends substantially all that they pay above the actual cost of the insurance. Managed as it is, by the state, it becomes in effect a mutual life insurance scheme.

The legislature of 1911 also made provision for the insurance of deposits in banks. Wisconsin did

not follow the compulsory bank guarantee plan of Oklahoma and Kansas, but provided for the formation of mutual co-operative bankers guarantee associations, like the mutual employers liability companies. The state assumed that the banks would be the best guardians of the solvency of other banks, and that self-interest would lead to caution and conservatism among the members of the association. This idea was borrowed from the very successful New England factory mutual fire insurance societies, which during thirty or forty years have reduced the actual cost of insurance to their members to about one-twentieth of the previous cost. Being all equally interested in the fund, they enforce improved construction, thorough inspection, and by so doing have practically eliminated losses. For thirty years these companies have returned to their policy-holders annually in the neighborhood of ninety per cent of the premiums charged. The same instinct is expected to operate in the mutual bank depositors guarantee scheme.

The average losses to depositors are well known. They range from one-tenth to one-twentieth of one per cent. This is the basis for the calculation of premiums. Fifteen or more residents of the state may organize a bank guarantee association, which must be approved by the commissioner of insurance before it can transact business. The association is limited to bank guarantees. Each bank is a

separate risk, and no association can begin business until it has a minimum of 200 risks. The maximum single risk is fixed, as are the annual expenses of the company. A bank can be insured to the amount of its total deposits. It is proposed that premiums shall be paid on the average amount of deposits for the current calendar year and be fixed at one-quarter of one per cent of the amount of the insurance. In order to place the association on a secure basis, a contribution of one-half of one per cent on the amount of the policy is required during the first year. The association has the power to determine what banks shall be admitted as members, thus enabling it to obviate the objection commonly raised to compulsory insurance, that it places the incompetent or dishonest banker on the same plane as the experienced and conscientious one.

In this insurance programme, as in other legislation, the state has endeavored to depart as little as possible from the traditions of individual initiative, and to enter upon direct state or socialistic activity only when it is the only alternative. The mutual idea is encouraged in employers liability and bank guarantee insurance, where the self-interest of members is expected to lead to efficient management, supervision, and economy. This idea, was not followed in the state fire insurance and state life funds, where solicitors expenses are out of proportion to the benefits. Running through the whole



programme of insurance against accident, against death and old age, against financial loss, is an appreciation of the changed conditions of society, as well as of the fact that the individualistic, *laissez faire* philosophy of the past generation is no longer adequate to protect the weaker members of the community.

## CHAPTER IX

### COMMONWEALTH BUILDING

ANOTHER notable contribution of the legislative session of 1911 was the State Board of Public Affairs. Like the railway and industrial commissions, it is a permanent commission with wide powers of investigation and action. It is a kind of legislative committee on the condition of the commonwealth, endowed with supervisory powers over all its departments, resources, and possibilities. It is an efficiency bureau directed to standardize public accounting, to establish cost systems, to improve methods of making appropriations by the legislature, and to promote efficiency and economy in every possible way. The board is composed of seven members, of whom the governor and secretary of state represent the executive branch, the chairmen of the senate and assembly finance committees represent the legislative branch, while three other members appointed by the governor represent agriculture, manufacturing, and labor. None of the members receive any salary, and none of them may be members of the university faculty.

In addition to its other duties, the board is a kind

of ministry, like those of foreign countries. It is a clearing-house of information and advice for the legislature. One of its members is required to attend joint sessions of the legislature daily to answer "orally, any questions submitted in writing not less than three days before, by any member of the legislature, regarding the Board of Public Affairs and its work." This is the first conscious attempt to put an end to the American idea of checks and balances, to the necessity of keeping the executive and legislative departments as wide asunder as possible. One of the causes of our failures in congress and the states is the absence of a permanent responsible ministry entrusted with a legislative policy. The federal plan denies this to the executive department, while the legislative branch makes no provision for it. No department of the government is entrusted with the burdens of administration and legislation in an orderly intelligent way. The Board of Public Affairs is an attempt to co-ordinate the work of the various branches of the state, as is the rule of responsible ministries abroad.

The board has been given other and even more important duties, which make its possibilities as a constructive agency of state building of great importance. It is made the duty of the board:

- (1) To investigate the materials and resources of the state and to promote their greatest use and highest development, especially through home and

farm ownership, co-operation, publicity, immigration, and settlement; to investigate the cost and standards of living within the state; the difference between the amounts which producers and dealers within and without the state receive for their products, and the amounts which consumers pay therefor; and the measures that may be adopted to reduce this difference, and to provide for more economic distribution of products and commodities.

(2) To co-ordinate by mutual agreement with the several public bodies, their investigations, and to provide for such additional investigations as may be necessary to carry out the purposes of this section.

(3) To co-operate with agencies of the federal government and of other state governments and with voluntary associations having for their object the investigation and development of the resources, markets, industries, and opportunities of the state and of the various sections and communities therein.

(4) To publish such reports and to make such recommendations to the legislature as may be advisable in carrying out the duties of the board.

In some respects this law is one of the most constructive achievements enacted by any of our states. The board is entrusted with a state-wide survey of educational, industrial, and social development, from a study of the materials and resources of the state. This survey includes city, county, and state planning in co-operation with local and state officials. The board is designed to co-ordinate all of the agencies of the state; to prevent waste and the overlapping of functions and activities. It unites the university with the state-house and utilizes the

agricultural and engineering departments, the railroad and tax commissions, the library and state board of health. It serves as a central clearing-house for the geological survey, the highway commission, the forestry department, and the immigration commission. Its function is to correlate all the agencies of the state into an efficient machine.

Wisconsin has over 13,000,000 acres of cut-over and swamp land, in the northern part of the state, that has never been brought under cultivation. About 6,000,000 acres can be used for agriculture; the rest is suitable for forest cultivation. Stump removal and clearance is too costly for the individual farmer while markets are distant from this part of the state. In co-operation with the university, studies are being made of soils, as to the best sort of crops to be planted, of means for stump clearance by co-operative methods in order to bring this region under cultivation. The board is studying the idea of farming villages with allotments of land to be sold on easy terms. The extent and causes of tenancy, the possibility of developing co-operative buying and selling agencies, the problem of the high cost of living, of unnecessary middlemen, of bringing the farmer closer to the consumer, are also under consideration.

Much of this programme must wait. The immediate work includes a survey of public institutions and schools. School hygiene is being studied, as

are the methods of doing business by public bodies. The board is an accounting bureau to introduce efficiency methods in the transaction of public business. State budget making is being put on a scientific basis after comparison with the methods employed in other countries, while audits, statistics, and reports are being standardized. The board is also studying rural schools with the idea of making them more efficient. Immigration and its proper distribution under conditions most advantageous to the immigrant is part of its programme. A study of prison labor is being made with the aim of converting the prisons into training schools of industrial education to supply the needs of other state departments and institutions.

The state board of public affairs is a means of energizing the whole state and of developing its resources. It is a strategy board of peace, thinking in terms of consumers and producers, of property and of people, of human and material conservation.

All this is part of a programme of state development toward which Wisconsin has already made a substantial beginning in water-power and forestry legislation. As far back as 1903 the state created a forest reserve of 40,000 acres. Two years later an act was passed creating a state board of forestry. It provided for the withdrawal from sale of lumber-bearing lands belonging to the state. These additions increased the area of the forest reservation to

over 300,000 acres, which, through subsequent purchases, have been increased to 425,000 acres. The state forester has laid before the assembly proposals for the acquisition of enough land to bring the total reserve up to 1,500,000 acres; to be developed into a state reserve for the growing of such timber as the state laboratories consider best suited to this region. The bulk of the forest land is located in the northern part of the state. Within its area is one of the most wonderful lake regions in America, including over 1,200 lakes, which are the head waters of the largest rivers in the state. These lands are not suited for agriculture, but produce a fine quality of pine timber. And the forestry department, looking ahead a generation, plans for a revenue from the sale of timber of \$1,500,000 a year, and of twice that sum at the end of fifty years. A recreation ground for the middle west is projected about these lakes with a system of leasing cottage and club sites at a low rental. Here is a natural playground for the entire Mississippi Valley, like the lake regions of Canada, the mountains of Switzerland, or the national parks of the Yellowstone and Yosemite.

The last legislature placed the water-power of the state under the control of the railway commission, but the act was subsequently held to be unconstitutional.

In forestry, as in many other things, Wisconsin follows in the lead of Germany, which country has

nearly 35,000,000 acres of forests, of which 31.9 per cent belongs to the state and 18 per cent to the communities and the crown. Germany applies its scientific knowledge to forest culture as it does to the army and the navy. It found it necessary to check the destruction of its timber by law, in order that the wood supply of the country might not be exhausted. Forests are cultivated just as are farms, in order to stimulate growth and increase the yield. France, Switzerland, Scandinavia, and other European countries have followed the same policy, which has been intelligently adapted to an American state in Wisconsin.



## CHAPTER X

### EQUALIZING THE TAX BURDENS

THERE has been but little constructive work in state and local taxation in America. The conflict of powerful classes, each seeking to escape its proper burdens, the divergent interests of the country and city, together with the use of the taxing power for the control of the liquor business, have made scientific treatment of the subject impossible. The bulk of state and local revenues are derived from taxes on real estate. Assessments are made by local officials, who struggle to keep their valuations as low as possible. Wide inequalities in valuations are the rule even in the same jurisdiction. Public utility corporations have used their political power to relieve themselves from taxation. They, more than any other influence, have prevented any orderly treatment of the subject.

The tax commission of Wisconsin, in co-operation with the department of economics at the university, has done much to bring order out of chaos in that state. La Follette made an issue of the proper taxation of railroad corporations when he was governor. He found that they were escaping a large part of their taxes by means of a license tax system, based

on gross earnings, which was in lieu of any tax on their property. The railroads were not taxed on their capital or physical property at all. The correction of this inequality was one of the issues in his eight years' struggle. Finally, in 1903, a law was enacted which deprived the railroads and other public utility corporations of the privileges they were enjoying. It provided for the valuation and taxation of railroad property on the same basis as other property, which valuation was to include franchise values. Upon this valuation a tax is assessed equal to the average rate assessed on all other property in the state.

Fearing that the new law might be declared unconstitutional, which would embarrass the state, it was provided that the license fees on gross earnings should be collected as in the past, awaiting a judicial determination of the validity of the law, with the provision that if the license fees paid were less than the amount of taxes paid on the property, the license fee so paid should be deducted from the total taxes and only the balance of the ad-valorem taxes should be collected from the company. In case the license fees exceeded the taxes so assessed, the taxes must be deducted from the license fee and the balance refunded to the company from the state treasury. For the year 1904, the first year of the operation of the new law, taxes on railway property were increased from \$1,948,340 under the license

fee, to \$2,494,282 under the ad valorem rate, or an increase of \$551,642. For the year 1905 the increase amounted to \$671,381, while for 1906 the increase was \$645,790. By 1911 the taxes of the railways had been increased to \$3,330,819, or an advance of 70 per cent over the license fees paid seven years before. The license fee system was also abolished as to street railways, telegraph companies, express, sleeping-car, freight line, and equipment companies, their property being assessed at its full value in the market, including therein the franchise value.

The railroads, telegraph, and other state-wide public utilities pay their taxes to the state treasury rather than to the local authorities. The rate is ascertained by dividing the valuation of all property on the local assessment rolls as ascertained by the tax commission into all taxes levied locally upon such property. This gives the average rate for the whole state, which is then assessed against the corporations. The tax rate for 1912 is \$11.08 on each \$1,000 of valuation, which assessed against the railroads amounts to \$3,605,165 for the year.

When the change in the method of taxing public utility corporations was under consideration it was insisted by those opposing the law that the railroads would discriminate against the state and cease making improvements. Experience has proven the contrary, the largest railroad in the state having con-

structed more lines in the state in the six years following the passage of the law than it did in the fifteen years preceding it.

In 1903 an inheritance tax law was added, with rates ranging from 1½ to 15 per cent, depending upon the degrees of consanguinity and the amount of property transferred. The revenues from the inheritance tax law are paid into the state treasury. Receipts from this measure vary greatly according to the years. In 1905 they amounted to \$125,964, while in 1910 they amounted to \$283,566. In 1911 they increased to over \$1,000,000.

Beginning with 1901, the tax commission has had power to equalize the assessments of property as made by local officials throughout the state. It sends its employees annually into every county to ascertain sale prices, which are compared with the assessed valuations which have been made in the county. Using these sales as a standard, it is able to judge as to the accuracy of the assessments made by local officials. From them it increases or decreases the local valuations in order to bring them into harmony with the remainder of the state. By this means the total assessments have gradually been increased from a valuation of \$746,002,932 by the local assessors in 1900, to a total of \$2,743,180,404 by the state commission in 1910. It has been the aim of the tax commission to raise local valuations to the full market value of the property

as indicated by local sales. It increased the assessment of 1900 from \$746,002,932 as returned by the local officials to \$1,436,284,000. By 1904 the assessment had been raised to \$1,952,700,000. Each year the local valuations were increased, the local assessment in 1909 being \$1,613,427,747 which was increased by the state commission to \$2,743,180,404. Of this total, \$2,108,140,021 is real estate and \$635,040,383 is personal property. In making these studies, as well as in the valuation of railroads and public utility corporations, instructors as well as advanced students in the university, taken from the departments of economics and engineering, are employed. The tax and railway commissions co-operate in the making of valuations, and the properties of these utilities are placed upon the state tax roll on substantially the same basis as that recognized in rate-making.

For some years prior to 1911, the tax commission, as well as the department of finance in the university, were engaged in an exhaustive study of the income tax with the idea of incorporating it into the state system. The income tax had been tried in Massachusetts, Virginia, and some other states, but had uniformly failed to yield a substantial revenue or to be properly administered. A most exhaustive study was made of the laws of other countries for the purpose of ascertaining effective methods of collection and administration, for this is one of the

vital weaknesses of the income tax. It is asserted that it is un-American, inquisitorial, and that our people, accustomed only to direct taxes on real and personal property and licenses, which can easily be ascertained, and to indirect taxes on consumption, would not adjust themselves to a disclosure of their incomes.

The law as enacted in 1911 was drafted with all these considerations in mind.

The law, too, was a recognition of the failure of the personal property tax, which it in part repealed. Taxes on money and credits, stocks and bonds, personal ornaments, household furnishings, farm, orchard and garden machinery, implements and tools, as well as one watch, and one piano, or other musical instrument, were exempted. The tax on other tangible personal property was for the present retained, although the avowed purpose is to substitute the income tax for all personal property taxes. The rates of the tax are progressive, with reasonable exemptions to persons of small means. It applies to corporations and individuals, and covers all income, including the rental value of the house occupied by the owner. Residents and non-residents may be taxed for incomes derived from sources within the state, while losses sustained within the year and not compensated for by insurance or otherwise, as well as taxes, may be deducted. The income exemptions allowed are as follows:

|  |       |
|--|-------|
| To an individual, up to . . . . .  | \$800 |
| To husband and wife, up to . . . . .   | 1,200 |
| For each child under the age of eighteen years   | 200   |
| And for each individual person for whose support the taxpayer is legally liable and who is entirely dependent upon him for his support . . . . . | 200   |
| The deduction allowed for a family of five is .  | 1,800 |

The rates on taxable incomes are progressive from 1 per cent, on the first \$1,000 of taxable income, up to a rate of 6 per cent on any sum of taxable income in excess of \$12,000. Only 10 per cent of the revenue raised under the act goes into the state treasury, which pays the total costs of administration. Twenty per cent of the revenues so collected goes to the county, and 70 per cent to the town, city, or village in which it is collected. The tax is assessed by state officials, rather than local ones, the assessors being under the jurisdiction and control of the tax commission.

All of the laws enacted since 1905 have been in the direction of increasing the taxes of those best able to pay. The change in the method of taxing railway, public utility, and other corporations, increased the burdens of these corporations by over \$2,000,000 a year. The inheritance tax law, as well as that on incomes, is a recognition of the principle that the burden of taxation should be adjusted so as to bear most heavily on those most easily able to carry it.

## CHAPTER XI

### THE DEMOCRATIZATION OF LEARNING

A CENTURY ago education was limited to the privileged classes, teaching was a clerical profession, and the college a resort for priests, lawyers, and the leisured few. No one else thought of higher education, and only rarely did the unprivileged orders break into the institutions of learning.

The college is no longer a cloistered thing. Education is constantly widening its vision, and America has broken with the traditions of the past more completely than has any other country. Engineering, chemistry, commerce, and journalism have been added to the classical courses. Our universities have opened their doors to women. Those at the west have taken on schools of agriculture. Our higher technical schools are probably the best in the world. They have aided greatly in the solution of mechanical, engineering, and mining problems. A generation ago Johns Hopkins was founded as an institution for original research. It borrowed largely from the German university in its methods. The research idea has been widely copied by other universities, which have established graduate de-



partments on the German plan. Education in America has become a tripod of research, of vocation, and of culture, each widening the mediæval idea of the university to meet the changing democracy of life.

It remained for Wisconsin to develop a fourth function, that of service. To "carry out knowledge to the people," President Van Hise says, is the fourth function of the university. Not to the young alone, but to men and women of middle life who have had no opportunity for advanced study. This Wisconsin is doing. It is projecting the university into the most distant township, even into the factories, mills, and lumber camps of the state. It assumes the existence of the want and offers opportunities for its satisfaction. The time is not distant when the university will make it possible for any one to pursue any studies in connection with his daily work. Education will then become a life-long pursuit that does not terminate with the high-school or the college. There will be opportunity for the study of new subjects or the continuation of old ones under university direction.

This is already being done in a very definite way. Wisconsin is offering higher education to the entire state. There are already more students enrolled outside of the university than there are at Madison. They are to be found on the farm, in factories, shops, offices, stores, and homes. There are ninety-eight

organizers, instructors, field men, and advisers, who constitute an extra-mural faculty for a college of 5,370 correspondence students alone whose number is growing each month.

President Van Hise looks upon the university not only as a laboratory for the study of the problems of the state, but as a means for discovering and conserving the talent of the community. He boldly says it ought to undertake any kind of educational work for which it is best fitted. "I would have no mute, inglorious Milton in this state," he says; "I would have everybody who has a talent have an opportunity to find his way so far as his talent will carry him, and that is only possible through university extension supplementing the schools and colleges." He tells of a boy named Mellish, out in the little town of Cottage Grove, supporting his mother, sister, and aged grandfather on a farm of forty acres. The boy was so interested in astronomy that he made a telescope for himself, and after his work was done in the fields he searched the sky far into the night with his little home-made instrument. He discovered two of the seven or eight comets found by all the astronomers of the world in 1907. This boy was reached through the correspondence classes in mathematics, and has done remarkable work.

The purpose of the extension department is "to educate all people in all places, for the daily occu-

pations of life." To this end it has established correspondence courses, as well as lectures and institutes. It maintains bureaus, publishes bulletins, and conducts regular college extension classes to supplement the correspondence study. As long ago as 1889 the catalogue of the university said, "The realms of knowledge widen as fast as the possibilities of instruction, and faster than the possibilities of general reception; but it is no more impracticable to extend the popular range of university education than to extend the sweep of the university courses. It can scarcely be more prophetic to contemplate the higher education of the masses to-day than it was to look forward to the common education of the masses a few centuries ago. The latter nears its realization; endeavor now begins to reach forward toward the former."

In the early nineties there was a wide-spread development of university extension in almost every state in the Union. Then it declined. Enthusiasm soon wore off. The work was recreative, rather than serious and vocational. The student had no goal; there were no physical instruments for properly doing the work. The extension department at Wisconsin became moribund. In 1907 it was vitalized when Louis E. Reber came to Madison to take charge of the work as dean of the department. He developed the extension idea on a new and sounder basis, and the achievements of Wis-

consin are now being copied in many of the states of the West.

It was ascertained that 35,000 Wisconsin students were pursuing correspondence courses in the commercial institutions. Dean Reber saw that this work could be done more cheaply and far more thoroughly by the university, with its corps of thoroughly trained men, than by any private school. A correspondence department was started. In December, 1906, it had but 26 students. By the following June the registration had grown to 106. Six months later it was 577. In January, 1909, there were 1,592 students; in September, 1910, the number had grown to 4,794, and in January, 1912, to 7,988. This was the total enrolment of five years. Of these, 4,219 individuals were pursuing courses in January, 1912.

There are 63 branches in different parts of the state, and 98 professors and instructors connected with the department. Nearly 250 courses of study are offered, representing 34 departments of the university. Through these courses work is offered the business man in banking, corporations, insurance, monopolies, trusts, and political economy. The principles of salesmanship and business ethics are taught. The chemist, astronomer, and pharmacist find courses adjusted to their wants. Public school music is offered for those preparing to teach in the public schools. Law, literature, surveying,

the study of power transmission, gas-engines, locomotive maintenance, and a dozen engineering courses are offered to people in every part of the state. There are classes in Latin and Greek, in French, German, and Italian. Higher mathematics is one of the more popular courses. The great majority of the students are registered in vocational courses, not of college grade or designed as preparation for college work. They are studying mechanical engineering, electricity, drawing, plumbing, pattern-making, and business. Nearly one-fourth of the students are pursuing studies of university grade, the balance being in vocational, high-school, and preparatory work. For the year ending July, 1910, 376 students had completed their courses, and 192 had secured university credits. Of the total number enrolled, 345 had dropped out. The total registrations up to February, 1911, in correspondence work was as follows: Vocational, 3,511; university grade, 1,467; high-school and preparatory, 416; elementary school, 305, and advanced, 12.

Experience quickly demonstrated that correspondence work had to be vitalized by personal contact. The university met this weakness by sending out instructors, who formed groups of men in single subjects and gave them class-room work several times a month. In the beginning these instructors were drawn from the regular university faculty. It was found, however, that the extension

work required special qualities for this task. The teacher must be familiar with shop conditions, he must have the ability to deal with men, and above all he must have great enthusiasm for his work. It was necessary to develop a new type of instructor. Laboratories were also required, and this need was met by the use of factory shops and the laboratories of the local school-houses.

In order better to carry on this work, the state is being organized into districts, in each of which, organizers, teachers, and a superintendent, together with an office, class-room, and library facilities, are provided. The Milwaukee district consists of five counties, with a permanent working force of seventeen men. Two other districts have been developed, with centres at Oshkosh and La Crosse. In each of these an organizer is placed to promote the work. He studies the social, economic, and industrial conditions of his district. He co-operates with school-boards, town councils, clubs, and public libraries. He develops the lecture courses, the exhibits, demonstrations, and extension work. In time the whole state will be covered by district university centres, to which boys and girls, old and young, can come for some form of university instruction.

The extension work responded immediately to the change. Correspondence work was vitalized by personal contact with the teacher. A larger percentage of students complete the courses than

under the old methods. Then with some misgivings, the university decided to accept correspondence work when satisfactorily done as counting toward a degree. It permits the student to do one-half his work *in absentia*. After several years' test it is said that work done by correspondence students is of as high an average grade as that of an equal number of resident students. Dean Reber says: "Although many of them (*i. e.*, correspondence students) are unused to mental exertion and have not been accustomed to conserve their leisure time, but a small proportion of them have dropped work once begun, and some of them have manifested enthusiastic interest, even forming study clubs among themselves which meet more frequently than their classes, for discussion and mutual helpfulness." His testimony as to the quality of work done by students seeking university credits is equally remarkable. He says: "I believe I can safely say that in no instance has a student who has taken preliminary correspondence work failed to make a good standing in his resident studies. The high rank maintained by these students is so uniform as to have done much toward removing the prejudices which at one time existed in the university against the practice of allowing credit for correspondence study." In the isolated districts, where there are no public libraries, the state library commission supplies books to individual students. Where

possible the public schools and their laboratories are utilized for evening classes.

This represents the new idea in university extension. It is serious, earnest, practical. Employers have responded to the work with enthusiasm and are anxious to have it extended. They supply rooms and facilities for factory classes, and give the men full pay for time devoted to the work. In the case of apprentices following special courses, a half day a week is usually given. Twenty-five manufacturers are co-operating with the university in this way. In order to meet the limited training of many students, special text-books are being prepared.

The response to the extension work from the state was immediate. The appropriation for this purpose in 1907 was but \$20,000 a year. In 1909 it was raised to \$50,000, and in 1911 to \$100,000 for that year and to \$125,000 for 1912. Appropriations were also made for agricultural extension. Including the receipts from fees, Wisconsin is spending the sum of \$185,000 for bringing the university to the people.

It is not many years since the public library was securely enclosed behind locked doors and accessible only to the favored few who enjoyed the confidence of the librarian. It, too, was a privileged institution like higher education. America has opened wide its library doors, and democratized books as



has no other nation. The free public library is one of America's real contributions to society. Commissions come to this country from Europe to study our methods. No city is complete without a public library, many of which have opened branches to render its facilities more accessible to the people. The travelling library has become an institution in many states. Small selected libraries of books are sent out by the state library to individuals or clubs, the state paying one-half the cost of conveyance. This idea was first tried in New York in 1893, when the state library began to send out small libraries of one hundred volumes to towns and villages not provided with free libraries. These travelling libraries remain in the community for six months, and are then exchanged for another. The idea proved so popular that in 1895 Michigan adopted it, and the next year Iowa set aside \$5,000 for this purpose. The Wisconsin free library commission was organized in 1896. By 1898 there were 186 travelling libraries in the state, by 1900, 238, and in May, 1910, the number had grown to 944, including the state and county systems. The total number of volumes was 44,527.

There are three sizes of travelling libraries, one of thirty volumes, one of fifty-five volumes, and another of one hundred volumes. They may be kept for six months. In order to secure a library, a group of ten persons is organized, who select a

librarian to represent the association. There is no charge to the individual for the use of books, although the state makes a charge of \$12 a year to the centre.

Bulletins are issued on topics of public interest. The library co-operates with reading and debating clubs, with labor unions, officials or individuals, and sends out collections of books on current questions of public interest for their use. It makes use of the university, and of the legislative reference bureau for aid and co-operation. Any student pursuing a special subject can secure the assistance of the library in his work. Small reference libraries on special subjects are loaned, as are collections of Copley prints, steel engravings, and photographs, which are used by local libraries for exhibition. Current magazines are distributed in the same way. Through these means the farmer, the mechanic, even the distant lumber camps in the northern part of the state, are brought in touch with inaccessible fields of human knowledge.

## CHAPTER XII

### THE BRAIN OF THE COMMONWEALTH

“WE already know enough about agriculture,” says President Van Hise, “if the knowledge were properly applied, to double the product of the nation with ease. We know enough about soils so that their fertility could be greatly increased. We know enough, too, about scientific medicine to eradicate dangerous infectious diseases. If we applied to humankind what we know about the breeding of animals, the feeble-minded would disappear in a generation, while the insane and criminal classes would be reduced to a fraction of their present numbers. Even in politics we have sufficient scientific knowledge to greatly improve the government of the city, state, and nation.”

To democratize the knowledge of the few and make it the possession of the many is one of the ideals of the University of Wisconsin. It is a research bureau of politics, of agriculture, of mechanics, of hygiene. President Van Hise sees politics in terms of people. To him the waste in human talent is the costliest waste of all. It can only be prevented by knowledge and the conversion of that knowledge into action

through democracy. And the university is the laboratory for this purpose. It is a publicity bureau for the dissemination of learning as well. Investigations have been made to secure pure water for cities and to protect it from contamination. Hygiene, sanitation, and infectious diseases have been studied. The state has undertaken a comprehensive road-building programme, to promote which the university organized classes to teach local officials how to build roads. One hundred and forty-eight students enrolled in the course. The engineering department aids manufacturers in the solution of problems too big for an individual to undertake. It worked out methods for the use of reinforced concrete for building. It aided mine owners by studying the best method of extracting lead and zinc. It loans its engineering experts to the state commissions to value the railways and public utility corporations for taxation and as a basis for rate-making. Studies of efficiency management, of meters, of gas, electricity, and telephone equipment have been made and standards established for the use of managers and cities. This has greatly improved the efficiency of the public utility corporations. The stationary engineers in Milwaukee organized classes for the study of steam engines, boilers, and kindred subjects. A number of physicians enrolled in correspondence courses in bacteriology which require several weeks of research work in a laboratory. A milk exhibit was

held in Milwaukee in co-operation with the school board, where teachers lectured before children during the day and gave special lectures to mothers at night. In 1909, a conference was held in Madison on criminal law and procedure, with the aim of improving the administration of the penal code and the prevention of crime. Thus the scientist becomes the co-worker with the politician.

In the main building of the university, occupying several rooms and the basement, is the department of general information and welfare. It is a clearing-house of almost any kind of service or information for individuals, clubs, cities, counties, or commercial organizations. It is a questions and answers department of the state. It gathers material from every source, from experts and publications, in response to inquiries. It is designed to be a link between the people of the state and the results of scientific research ordinarily closed to them. It aims to convert into popular form the great fund of useful information in the form of bulletins issued by federal and state departments, and to distribute it to the people desiring information. It translates the language of the scientist into popular form. Bulletins, monographs, and leaflets on topics of general interest are printed and distributed, data bearing upon discoveries, inventions, and the advance in knowledge is brought to the people at little or no cost to them, and in language which they can understand.

The department uses the state board of health to help a community clean up unsanitary conditions, or the engineering department to co-operate with local authorities to improve the water supply, to protect the milk, or aid in the solution of some local problem. It calls on the bureaus at Washington or the professors in the university, in response to almost any demand. It carried on a campaign against tuberculosis, with an exhibit of diagrams, models of houses, ventilating devices, and pictures, which were sent about the state with an expert demonstrator, who gave popular talks on means of its prevention. The demonstrator showed the loss and suffering from the disease, and awakened the state to an interest in the subject. A bakers' institute was organized in Milwaukee, attended by 125 bakers. There were demonstrators of pure food, methods of testing materials, baking tests, sanitation, presented by experts on the subject.

Connected with the department is a municipal reference bureau directed by an expert. It "collects data and information on all the varied subjects of municipal activity and municipal government for the purpose of rendering that material accessible to the cities and citizens of the state." It gathers city charters, ordinances, and other documents, and loans them to cities. It makes expert investigations on municipal insurance, the oiling of streets, uniform municipal accounting, and commission government.

It is a recognition of the demand for the expert in city business. The department draws on the experience of other cities. It offers the achievements of New York, Berlin, or Boston to the cities of Wisconsin. Within nine months after its organization 900 inquiries for advice were received from municipal and other officials, while 3,000 copies of its report on the commission form of government were distributed in three months following its publication. The department assists city officials in paving, sewage disposal, parks, playgrounds, street cleaning, dust prevention, smoke abatement, accounting methods, statistics, care of trees, schools, charities, or any other subject in which the city is interested.<sup>1</sup> The department has correspondents in the larger cities of America and sends out lecturers from the university who give courses on municipal topics. It is an attempt to equip the city with expert assistance in the solution of its problems.

The department of information and welfare promotes lecture courses of a serious or popular character. It supplies lecturers and entertainments. It sends out members of the faculty of politics, sociology, and history, of the arts and science departments. It offers readings from Shakespeare and humorous recitals, as well as plays like "The Servant

<sup>1</sup>When the socialist administration was elected in Milwaukee in 1910 it sent to the university for an instructor to come to Milwaukee to organize classes for the instruction of the aldermen in city administration.

in the House," the folk songs of Scotland, Ireland, and England, in line with its policy of doing anything for which it is the best fitted instrument. The university amuses and entertains, as well as instructs the state.

Another branch of the department promotes debates and discussions. It sends out instructors who organize debating societies and clubs to discuss social and political questions. It trains debaters and speakers and vitalizes the life of the community. It collects and classifies magazine articles and pamphlets, and equips clubs with material for any kind of literary activity. These package libraries are sent free of cost and open up the resources of the university library to the most distant part of the state.

Wisconsin is reviving the old town meetings of New England through the department of debating and public discussion. Through it the state is being educated on questions of local and national interest. The electorate is prepared for each new step and familiarized with questions submitted to referendum vote. A writer in the *Boston Herald*, after a careful examination of this branch of the extension department, wrote of it as follows:

Early in November the citizens of Wisconsin will vote for or against an amendment to the state constitution which will permit the legislature to appropriate money for the construction or improvement of public highways. The issue is: Shall the state



undertake "an economical and efficient system of road-building upon an extensive scale?" Where shall John Doe, who lives in a remote hamlet, or Richard Roe, who lives in Milwaukee, look for information enabling him to vote intelligently on the amendment? To the journalists, politicians, and local solons only? Not in Wisconsin. The people have a university which conceives it to be its duty, and its privilege, to furnish information, dispassionate and non-partisan, so far as can be, to all citizens of the state, on every matter of public importance. The people look upon it as "our university." It crowns their system of free public education. They elect its regents. They pay its bills. They know that its investigators have added millions to the wealth of the state. They know that its experts have aided in shaping progressive legislation and in defeating forces that hitherto have been powerful at the state capital.

It must be obvious that, if referendums are to settle public questions, if constitutions are to be amended during the next decade or two, an electorate aided to intelligent action on the issues involved by those who are above the suspicion of partisanship or of personal interest in the matter will act with far greater wisdom than an electorate which is not so served.

Possibly a Wisconsin voter may have his doubts whether the initiative and referendum are good or bad devices of modern democracy. He writes to the university, not for an opinion representing its views, but for information as to what is said for the new device by those who believe in it and by those who do not. It costs him but two cents to get his reply. Serial No. 224, General Series No. 25, comes back. In it the initiative and the referen-

dum are defined. The history of the movement in Wisconsin is briefly set forth. Then follow references, pro and con, to the material in the legislative reference department, useful if the seeker be a legislator; or to the pamphlets on the subject issued by the states of Ohio and Oregon, which can be had through correspondence. Supplementing these are references, to page and chapter, to books of general circulation, to arguments by critics and by advocates, and to the literature of propaganda on the subject. Similar pamphlets are to be had on the vexed issues of election of senators by popular vote, the parcels post, postal savings banks, woman suffrage, and proportional representation, and each pamphlet shows how the matter may be still farther followed up through correspondence study with the university.

Such a system of relating a university to the practical, exigent, political needs of the people, or training them to look to the educated expert for sources of information seems to us splendidly efficient, viewed from a pedagogical standpoint, and in very truth democratic. The institution thereby conceives of the whole electorate as its potential student class, as well as its donor of funds and its sovereign in law.

During the year 1910, 1,925 package libraries, containing about 120,000 articles on 550 different topics, were sent into 259 communities in the state. There were 12,790 bulletins distributed. The package libraries bore upon banking, cities, conservation, immigration, labor, municipal ownership, the initiative and referendum, railroads, trusts, and agricul-

ture. There were packages on art, biography, child welfare, civic improvement, travel, history, music, rural life, socialism, and women. In this way Wisconsin makes war on the isolation of the farm and the village, as well as on the ignorance which lies back of political, social, and industrial conditions.

During the winter of 1910, an institute of municipal and social service was held in Milwaukee. It was continued for six months and brought to the city experts from all over the country interested in municipal, philanthropic, charitable, child labor, and industrial conditions. There were lectures and discussions definitely organized to cover almost every phase of municipal service. A similar conference was held in October, 1911, on charities and corrections in conjunction with the Wisconsin Anti-Tuberculosis Association.

The university is a great nerve centre, out from which influences radiate into every township in the state. No locality is so obscure that it is not touched by these forces, and no citizen is so poor that he cannot avail himself of some of its offerings. The ideal of the university as expressed by President Van Hise is being realized. He says, "Each individual should have an opportunity to develop to the fullest degree the endowments given him by nature, whether they are large or small. This is the purpose of university extension, to carry light and opportunity to every human being in all parts of the nation; this

is the only adequate ideal of service for the university."

These activities of the university required a local centre. The extension and agricultural departments, the debating clubs, lecture courses, and travelling libraries had to be housed. What more natural than that the school-house, the people's oldest and closest institution, should be used for this purpose. And Wisconsin, by law, has converted the public school into a people's club, a social centre. The last session of the legislature authorized city school boards to open the school-houses for community uses whenever a certain percentage of the citizens demanded it. The school authorities are authorized to maintain evening and vacation schools, reading-rooms, and libraries, debating clubs, gymnasiums, baths, playgrounds, and other activities, and to open the schools day and night to children and adults. If the school directors refuse to make provision for these things, ten per cent of the voters of the school district can demand a referendum upon it. School-houses can also be used as public forums for the discussion of non-partisan and non-sectarian questions on petition of not less than one-half the voters of the district.

The school centre idea is not new. It has been developed most successfully in Rochester, New York. Chicago has spent \$11,000,000 on recreation centres which are all-the-year-round club-houses for the poor

people. Nearly one hundred cities have utilized the school-house for social and educational purposes in some way or other. It remained for Wisconsin consciously to create a department in the university for the promotion of this idea. The state recognized the waste in investment with the school open but nine months in the year and seven hours a day; it recognized, too, that the school was a natural centre for all kinds of work, as well as for political meetings, for lectures, for dances, dramatic performances, and other activities of the neighborhood. Here miniature referendums of public opinion could be taken; here was a forum for public questions. The university sent to Rochester, New York, for Edward J. Ward, who had developed the school centre idea in that city. It placed him in charge of a department to promote the idea all over the state. Then the university proceeded to ascertain the different uses to which the school could be put. It called a conference of men and women from all over the country to discuss the subject at Madison. Three governors, as many more United States senators, several university presidents, and a large group of editors and persons interested in public work, responded to the call. They outlined a programme for the widest possible use of the school-house for educational, recreative, and political purposes. Then the university issued bulletins containing the addresses delivered at the conference with directions as to how localities could

use the school-house and unite it with the welfare department of the university; as to how they could secure lecturers, extension courses, lantern slides; as to the organization of debating clubs to which instructors would be sent by the extension department. Suggestions were made as to new equipment, of how gymnasiums, reading-rooms, branch libraries, and other activities could be promoted. Each school had within it the possibility of a university centre, of a people's club-house, of a democratic town meeting. Milwaukee organized a federation of societies to promote the idea, and is building a new type of school-house, especially equipped for the purpose.

Through the school-house the isolation of the farm can be relieved. Here agricultural demonstrations can be held; here pure seeds can be distributed. The school-house is the natural centre for the country co-operative store. During the winter months debates, dances, and neighborhood gatherings can be held, while through the co-operation of the community, the university and the state library can be localized in every township. The school-house can be made the local health office, with the gymnasium director as the health officer. Here local agencies of the state employment bureau can be maintained. From it pure milk can be distributed in the cities. The school is the proper place for the branch library, for a reading-room, for the voting-booth. The opening of the school-

house makes possible the vision of President Van Hise of a university which serves the people in every possible way, and is co-extensive with the needs of the state in its educational activities.

## CHAPTER XIII

### SENDING THE FARMER TO COLLEGE

To the average farmer the state university is a cold-storage institution of dead languages and useless learning which costs several million bushels of wheat each year. When he thinks of it at all, it is with a protest. The farmers of Wisconsin thought of their university as a costly, rather useless thing, fifteen years ago. To-day thousands of them are students, while thousands more are being reached by some one of its many activities. During the winter of 1912, 1,500 farmers and their wives and grown-up children were at Madison, studying in the class-rooms under professors whose advice they would have scorned a few years ago. Agricultural schools, little branches of the university, scattered over the state are reaching out for those who will not come to Madison, while demonstration stations, located on state and county farms, are exhibiting to the most sceptical the value of scientific methods in agriculture. Unable to win the farmer through traditional methods of education, the university adjusted itself to his homespun prejudices. It has lured him by doing his work better than he does it



himself, by popular lectures, by illustrated bulletins, by a publicity press bureau, into an unwilling interest in the university and its work.

It took the university a long time to get over its academic fear that the cultural departments would be compromised by too close association with the farm-yard. Back in the eighties there was a four-years' course in agriculture, the same as in the arts and sciences. But it had no students. The farmers looked upon it as a joke, and the university was rather ashamed of it. The first two years were devoted to regular academic work, while the last two were given over to agriculture. None of the agricultural colleges had any students in these days, and they did not deserve any. They were thinking of the university, rather than of the farmer, of the necessity of preserving academic standards, rather than of promoting agricultural efficiency.

The University of Wisconsin found difficulty in securing appropriations from the legislature. But it had two very practical men on the board of regents in Senator William F. Vilas and E. W. Keyes, usually known as "Boss Keyes." They sent for Professor William A. Henry, of the agricultural school, and went over the problem. They suggested that a short course be started, so arranged as to bring the boy to the university in the fall after the crops had been gathered, give him a practical course in the things he most needed, and send

him back to the farm in the spring. Professor Henry thought it could not be done. The university had tried to reach the farmers, and had failed. In the second place, the suggestion was in defiance of academic traditions. But the regents prevailed, and a short course of fourteen weeks' duration, running through two years, was started in 1885.

Only nineteen students came the first year, and twenty-five the second. It took ten years to get even the short course started. But in 1896 it began to grow. In 1910 there were 475 students spending their winters at Madison, while 3,547 have been enrolled since the course was opened twenty-five years ago.

The short course is strictly practical. It is planned to meet the needs of young men who cannot afford the longer course. It aims to awaken the young farmer to the interesting facts of his work, to remove as far as possible its drudgery, and to give the boy an inspiration and companionship that will remain with him through life. Almost any one can register, and students come from the public schools with no other preliminary preparation. The work is made as interesting as possible by professors who have had to learn new methods of teaching. The course includes the breeding of live-stock, their feeding, care, and management. The university has the best cattle, sheep, and hogs in the state. They are prize winners at the state

fairs. And the boys study their qualities, not from text-books, but out on the tan bark, among the animals, in a big stock pavilion arranged like a stadium. They have printed slips, which contain an enumeration of the good points of a horse, cow, or pig, on which they check off its merits and demerits. They see things in animals they never dreamt of before. Students learn about soils and their fertility, the relative value of different kinds of fertilizers, how to keep their farm accounts, and something about business. They learn about farm management, grains, fruit trees, and poultry; they are given a substantial knowledge of blacksmithing, carpentry, and shop work. There are lantern-slide lectures, and some simple text-books. But most of the work is adjusted to such experiences as the boys have at home. The students learn about the common diseases of animals, and are pretty good veterinarians when they get through. It is all very intimate, natural, and easily understood.

There is a short course in dairying of twelve weeks, with courses in butter and cheese making, in testing milk, in dairy management. I fancy every one who goes through the dairy building at Madison and sees a hundred or more boys in white duck suits, or visits the stock pavilion, poultry sheds, and experimental farm, has a momentary desire to become a farmer. For agriculture is an alluring vocation within these environments.

The short course begins at eight in the morning, and continues without interruption until half-past three in the afternoon. Then the "Short Horns" have two hours' play in the gymnasium, or out in the open. They have a literary society of their own, and have organized a band and glee club. Ninety per cent of the graduates from this course have remained in agriculture, and 81 per cent are on Wisconsin farms. Some of them are making \$5,000 a year in the sale of pedigreed seeds. The graduates of the short course are generally leaders in their communities. They set a standard for the neighborhood, and diffuse the ideas gained at the university among their neighbors.

The old four-years' course, which formerly had no students, was vitalized by the short course, and the experience of the university. It, too, has grown very rapidly in recent years. In 1905 it had but 80 students. In 1910 it had 364, with 32 students taking advanced graduate work. The number in the long course doubles every three years. The technical positions in the bureaus at Washington, in connection with the various state universities and agricultural high-schools, have created a demand for the scientific farmer that exceeds the supply.

The despised work of the farm-hand has become a lucrative vocation in Wisconsin, more lucrative apparently than the learned professions. When the university closed in 1911, the agricultural depart-

ment had orders for graduates, which it could not supply, paying salaries which aggregated \$450,000. These were the jobs it could not fill. The demand was double what it had been the year before. While graduates in law, medicine, engineering, arts, and sciences were competing for such limited opportunities as were offered, all the "Short Horns" had been engaged before they completed their course at salaries ranging from \$600 to \$3,000 a year. Before commencement every man had found a position at an average salary of \$1,180. Only one position out of seven could be filled, some of which paid as high as \$6,000 a year.

The success of the short course led some one to suggest bringing the fathers, the horny-handed sceptics who jeered at higher learning, to the university. If education was a good thing for the boys, why not offer it to the parents as well? This was another violent break with academic tradition. But in 1904 the university started a farmers' course and induced 175 farmers to come to Madison for ten days in the winter. By 1911 the number had increased to 1,305. A different course is offered each year, all directed to the simple problems of agriculture. The farmers are told how to get the most out of their cows, the relative value of different breeds, how to care for their milk, and how to organize co-operative dairies. They learn how to judge cattle, horses, sheep, and pigs; they study fertil-

lizers, drainage, mechanics, gasoline engines, and farm buildings. Some of the farmers have returned to the university every winter for seven years. There are classes all day long, and in the evening as well. The course is held in February, coincident with the meeting of the state board of agriculture, of the live-stock breeders association, and the country life conference.

The wives of the farmers come too. Provision is made for them in the school of home economics, in which 500 farmers wives were enrolled in 1911. The facilities of the school broke down, the women were so eager to learn about household things, about food adulterations, home decoration, and management. It was a kind of winter Chautauqua for them all. An intermediate course is offered to boys of from fourteen to seventeen years of age, who win the educational prizes offered by county fair associations for the best exhibits of corn and other grain. Last winter farmers came from sixty-two out of seventy-one counties in the state. Many came as sceptics. They returned converts to the idea.

A school in home economics has been started in connection with the agricultural department. The course is rather severe. It extends over four years, and is designed to prepare the girl for home management, along with a general education. The department has grown with great rapidity, certain of

its courses being elective to the women in other departments.

But Wisconsin was not satisfied with the 1,305 farmers who came to Madison to the farmer course. So it organized similar courses in connection with the county agricultural schools which are being built. Regular class-room work is given of a week's duration. It is under the direction of university professors and follows the general lines of the farmers' course at Madison. The total attendance at these farmers' courses in Madison and throughout the state is over 8,000.

Through the summer farm demonstration work is carried on by the university at the state and county asylum farms. The fields selected are usually located close by main roads, so that the growing crops can be seen all through the summer. In the fall a picnic is held, to which the farmers come to observe the results of scientific farming. A row of pedigree corn is planted alongside of a row of common variety. One row is properly fertilized, another is not. Some potatoes are sprayed, others are neglected. In one field the alfalfa is properly limed, in another is left unlimed. When the crops are ready to be gathered, the farmer sees in terms he cannot fail to understand the results of intelligent farming. He sees the increased yield of corn, of wheat, of barley, and he sees how it can be brought about. During the fall of 1910 over 9,000 persons

attended these farm demonstrations, or more than twice the number of the year before.

In 1911 provision was made by the legislature for state aid to high-schools which introduced agricultural courses. By this law the state pays one-half the cost of the course, provided the state contribution does not exceed \$350 for each department. Counties are also building agricultural schools of their own. Milwaukee County has spent \$150,000 on such a school and La Crosse County \$65,000. Ten of these schools were authorized by the last legislature, seven of which are in process of completion. These schools offer substantially the same courses as the short course of the university.

The university also goes after the youngsters. Seed-growing contests have been organized among the boys in more than half the counties of the state. Pedigree seeds are sent out to the school superintendents with careful instructions as to planting and care. The boys cultivate the seeds as directed. In the fall of 1910, over 6,000 exhibits were held by the boys at the county fairs, and over \$2,000 was distributed in prizes. The boys get astonishing results. In order to stimulate interest prizes are offered consisting of money enough to cover all the expenses of a week at Madison during the farmers course in the winter. In 1910, twenty-one boys received these prizes, and in 1911, forty of them came to the state university.



The attitude of the farmer toward university appropriations has changed. The regents have little difficulty now. They are able to back up their claims with statistics of wealth production directly traceable to the work of the university. They have friends in the legislature who know from experience that scientific methods pay. The total appropriation for the university in 1900 was \$550,000. In 1910 it was \$1,700,000. Wisconsin appropriates 22 cents on every \$100 of assessed valuation for higher education, Minnesota appropriates 11 cents, Michigan 17 cents, and Illinois but 7 cents. The farmers of Wisconsin look upon the state university as one of the best investments they can make.

## CHAPTER XIV

### AN EXPERIMENT STATION IN FARM EUGENICS

WISCONSIN used to be just an ordinary grain growing state. The soil was being exhausted by repeated cropping, while the farmers were suffering from competition with the wheat fields of the West. To-day Wisconsin is the second dairy state in the Union. In 1900 it had 988,397 head of cows. To-day it has 1,471,000 or an increase of 47.4 per cent. In 1899 the state produced 61,813,000 pounds of creamery butter. In 1909 it produced 105,307,000 pounds, or an increase of 70.4 per cent. During the same ten years the factory cheese produced increased from 77,748,680 pounds to 145,171,000 pounds, or an increase of 86.7 per cent. The total value of the dairy products of Wisconsin in 1909 was \$79,000,000. Incredible as it may seem, the cows of Wisconsin produce more wealth each year than the combined output of gold and silver from the mines of Colorado, California, and Alaska, which amounted in 1909 to \$68,403,700.

In 1910, Wisconsin had 1,928 out of a total of 3,846 cheese factories in the United States, and 1,000 creameries out of a total of 6,235. The state

has one-half of all the cheese factories and about one-sixth of the creameries of the nation. Between 1900 and 1910 the cow population remained stationary in New York and Iowa, the other two leading dairy states, while it increased about 50 per cent in Wisconsin.

The cow is one of the many by-products of higher education in Wisconsin. For the university saved the dairy industry and brought it to a high state of efficiency. It claims, and the farmers acquiesce in the claim, that any one of a half dozen discoveries made at the university pays the total appropriation for the support of higher education each year. The agricultural college is a laboratory of everything pertaining to farming. It studies different breeds of cattle and ascertains by scientific tests which are the best milk, butter, or cheese producers. It experiments with feeds and methods of care. It is stamping out oat smut and bovine tuberculosis. It scraps old ideas and invents new ones, just as does an up-to-date factory. A simple milk test, discovered by Professor Babcock in 1890, and known as the Babcock milk test, saved the co-operative dairy industry by making it possible to determine by simple analysis the amount of butter fat that milk contains. Now milk is sold under a chemical analysis of its actual butter or cheese value. It is no longer profitable to sell skimmed or watered milk to the dairy. Farmers now breed cows with

the results of this test in view. Wisconsin men also invented the Hart casein test, the moisture test for butter, the curd test for cheese, the King system for ventilation, a milk sediment test, and other mechanical devices for the dairy. The university has a short course in dairying which trains young men and women to butter and cheese making, in dairy management, and economies. Wisconsin is rapidly becoming the Denmark of America.

The university has herds of Holsteins, Guernseys, and Jerseys that are prize winners in the state fairs. It knows to a nicety their value as wealth producers. It maintains a publicity department, and keeps the farmers advised of its researches and discoveries. The university conducts tests each month with prizes for the best milk productions. There are monthly scoring exhibitions for improving the quality of butter and cheese, to which the dairies send samples of their output. It is like a county fair running every week in the year. In 1900, the university sent out 50,000 letters to farmers in answer to inquiries. It gave 100 lectures to farmers' organizations, supplied 400 weekly newspapers with press service, and distributed 43 bulletins with a total of 969 pages. It sends out blue-prints so that farmers can erect their own farm buildings, silos, and ventilators according to the most approved methods.

The state is dotted with community cattle breeders associations, organized to improve the quality of

cattle. These, too, were promoted by the university and include over 1,000 farmers. It costs no more, the university says, to raise a two-hundred-dollar cow than a forty-dollar one. Each county association is encouraged to select a certain breed, Guernsey, Jersey, or Holstein, and to gradually weed out all other cattle. By this plan the county establishes a reputation as a breeding centre. It becomes known throughout the country, while the farmers are able to co-operate to improve and maintain the standards of their herds.

This idea was started in 1906. In four years' time thirty-seven county associations had been formed for breeding special kinds of cattle. Buyers now come to Wisconsin from all over the country. They can purchase carloads of selected animals without leaving a county. Holsteins worth \$175,000 went out of Lake Mills in 1910, while Jefferson County sold \$750,000 worth of dairy cattle. Two hundred head of Holsteins were shipped to California from one county. Waukesha County is known as the Guernsey centre of America. Its association started with a membership of ten farmers in 1906. It now enrolls one hundred farmers who own 1,000 head of pure bred animals. In the majority of these associations, the herds are tuberculin tested, while the members co-operate to study and improve the quality of their stock. The associations advertise in the dairy papers and purchase the best variety of breeding males.

By these means Wisconsin has become a market for high grade cattle. It cannot supply the demand.

Along with a knowledge of Greek and Latin roots, the university is creating an agricultural culture, a desire for the best, and a pride in farming like that of any other profession. It is producing thoroughbred cattle, horses, and pigs. It is even producing thoroughbred corn, wheat, and barley; and by so doing is greatly increasing the crops. It is making the state rich, and the farmers appreciate it. The results of the Babcock milk test pay the cost to the university many times over. So do the means devised for the elimination of oat smut. The increase in the yield of corn, barley, and other products due to seed culture runs into the millions each year. It is claimed that the total profit directly traceable to ideas introduced by the university exceeds \$20,000,000 a year. Some time ago Professor Moore began to experiment with grains. By a process of selection, he produced big full ears with large kernels of corn, wheat, and barley, which, after careful planting on the university farm, are distributed throughout the state. To-day Wisconsin produces enough pure breed barley to seed all the barley fields in the United States. The yield of pedigreed oats on the university farm in 1911 was seventy-six bushels to the acre.

Having convinced itself of the possibility of seed eugenics, it was necessary to convince the state.

The university organized the Wisconsin Experiment Association from among the graduates of the agricultural department, which has a present membership of over 1,500. The association is a kind of alumni club, as well as a clearing-house of information about what its members are doing. Membership carries with it the pamphlets and publications of the university, as well as an allotment of selected pedigree grain. The first year the farmer grows his seed corn or barley for culture, but by the second season he is able to market his seed at good prices. One member in Dodge County reported sales of pedigree seeds amounting to \$15,000 in one season. A half-dozen men are making more money out of seed culture than is paid any professor at the university. Orders come to the university from China, Japan, Mexico, from all over the world in fact. These orders are turned over to members of the experiment association to supply. It is estimated that \$300,000 worth of selected seeds have been sold in one year in addition to the greatly increased value of the local product.

The state was becoming the Denmark of America in the dairy industry, the Island of Guernsey and the home of the Jersey and the Holstein in cattle breeding; why should it not be made the home of the Percheron, the Norman, and the thoroughbred in the manual of the horse breeder as well. Wisconsin horses had the reputation among buyers of being

scrubs. They lacked character and breed. So the theorists at the university looked up the practice in other countries and found that the celebrated draught horses of Belgium were bred from selected sires, subsidized by the government and officially examined and approved for service. Only pure bred stallions are in use. The French government has maintained stables of carefully selected stallions for over a hundred years, and horses failing to come within the specified classes have been excluded from service. A subsidy is paid the owners of from \$60 to \$100 a year to keep high grade stallions in the country. In Germany it is provided by law "that no permits shall be issued authorizing the use of stallions, unless they have passed a satisfactory government inspection."

Then the university sent out bulletins to the farmers telling of the folly of raising mongrel horses; of the advantage of improving the stock just as was done in the cattle business. It encouraged the formation of county associations in connection with the department of horse breeding in the university. Then by that intelligent indirection, that acts through suggestion rather than by compulsion, the university secured the passage of a law in 1906 by which owners of stallions are compelled to register them as "mongrels," "grades," or "thoroughbreds," and post the license in a conspicuous place so that the farmer will not be deceived and will be induced by pride to select a blooded sire for his colts. Since



the passage of the law the number of "grade" or "mixed breed" stallions has decreased fifteen per cent, while 1,226 "grade" and "mongrel" stallions have been retired from service. The value of horses has increased very rapidly while the pure bred stallions are crowding out the mongrel.

These activities of the university are enriching the state. The average yield of corn in the United States is 25 bushels to the acre, while in Wisconsin the average yield is 36 bushels. Pure pedigree corn runs as high as 100 bushels to the acre, or four times the average yield of the country. Corn has been developed suited to the northern tier of counties where its cultivation has never been profitable. Varieties of alfalfa have been bred and demonstrations made of the profitableness of sugar beet culture. The 1,540 members of the experiment association, using pedigree "Silver King" corn, raised in a five-year test an average of 61 bushels of shelled corn to the acre, as against an average of the best competing variety of only 49 bushels. This was an increase of 25 per cent in the crop. The yield of barley has been raised to 54 bushels an acre, while the average yield secured by 1,020 members of the association in five-year tests was 35.7 bushels per acre, as against 30.8 bushels of other varieties. During these years the average yield of barley for the entire state was 28.3 bushels, as against 25.6 bushels for the United States. The use of pedigreed barley has spread so widely that 75

per cent of the entire crop of Wisconsin is of this variety. Wisconsin is demonstrating that any apprehensions as to the shortage of food supply are groundless for many years to come at least, for we have only begun to touch the possibilities of agriculture and have scarcely experimented with intensive farming.

The university is an experiment station in farm eugenics. It is applying biology and the teachings of evolution to agriculture. Men breed horses and dogs for sport, why not breed cattle, pigs, chickens, wheat, and barley for profit? Why not convert every farm into a laboratory, and every farmer into a scientist, and thus lift farm work out of its dull monotony into a co-operative group life animated by pride in the craft. All this seems possible from what has already been done. The cattle, horse breeding, and seed growing associations, the dairy and cheese testing contests, are awakening a pride in the farmer. His work has taken on dignity. And underneath the material gains, new ideals of social service and the possibilities of country life are awakening. There is a willingness to organize, to co-operate, an appreciation of the value of science and education, as well as a growing desire for the more cultural opportunities which the university offers. The ambitions and group spirit which the university has aroused are scarcely less remarkable than the material gains which have come to the state.

## CHAPTER XV

### CONCLUSION

WHAT is the explanation of Wisconsin? Why has it been able to eliminate corruption, machine politics, and rid itself of the boss? What is the cause of the efficiency, the thoroughness, the desire to serve which animates the state? Why has Wisconsin succeeded where other states have uniformly failed?

I think the explanation is simple. It is also perfectly natural. It is traceable to democracy, to the political freedom which had its beginning in the direct primary law, and which has been continuously strengthened by later laws. Without it the subsequent achievements of the state would have been impossible. Possibly its framers only saw a weapon with which the people could do battle on equal terms; possibly they were only interested in establishing popular sovereignty. Certainly no one could have anticipated the psychological change which followed the primary; not in Wisconsin alone, but in the nation as well.

We have been taught to believe that the trouble with our politics is traceable to our people, to politi-

cal indolence, to our absorption in money getting, to extreme partisanship. These are the causes usually assigned for our failures. We have assumed that our evils are personal, ethical, in some way traceable to the political incapacity of our people. I do not believe this is true. I know of no country where politics occupies so absorbing a place in the press, in the public mind, or in the discussions of so many people as it does in America. I doubt if voters are any more partisan than they are in Germany or England, or that business interests are any more influential in determining our political affiliations than in foreign countries.

I believe we are the wisest people, politically, in the world; I believe we know more about the wrongs of politics than do the voters of any country. And I think we are individually as intolerant of abuses.

The explanation of our cities and states is not personal or ethical at all. It is institutional and economic. We have made representative government almost impossible by the complicated machinery of nominations and elections, by the distribution of powers and responsibility among so many officials, by the rigidity of our written constitutions. In addition, we have lured business into politics by privileges of colossal value. We have minimized the sovereignty of the community and exalted the sovereignty of private property. So many public functions have been entrusted to private hands

that we have aligned the wealth, the power, and the talent of the community against the government.

In the years which followed the Civil War privilege was invited into the government by tariff favors, by land grants to the Pacific railways, by the close identification of the treasury department with the financial powers of the country. These interests extended their control into the states. They became identified with the franchise corporations of the cities, with the railway and public service corporations, seeking privileges from the state. They seized hold of the machinery of government. They devised every possible indirection to confuse the voter. They perfected the caucus and the convention system. They opposed the Australian ballot. They increased the number of elective officials, so that intelligent voting was almost impossible. They enacted laws against independent nominations, to protect the bi-partisan machine. They imposed unworkable charters on our cities, with responsibility so widely distributed as to render effective protest almost impossible. No country in the western world has invited corruption by special privilege, as has America. In no country is the machinery of government so complex in its provisions or so intricate in its workings. State and federal constitutions add to the difficulty. They increase the apathy of the people. They have

been a citadel of strength to privileged interests, which find protection under their inelastic rigidity. The psychological effect of an inflexible constitution is to discourage initiative. It atrophies effort. It prevents orderly evolution and growth.

We can only see the extent to which our politics are poisoned by special privilege by comparing one state with another. For privilege not only serves itself, it corrodes every other department of government as well. Of necessity it has to deal with the boss. It has to ally itself with vice. The schools are sacrificed to its greed. The university becomes its prey. Of necessity privilege ramifies into every fibre of the community. We can see the costs of special privilege in Pennsylvania or New York. It extends to the cities, to the mining districts, to the steel mills, and factory towns; we see it in Illinois, in Chicago, in Cincinnati, wherever privilege rules it sacrifices of necessity not only the departments which it needs, but every other activity of city and state as well.

This was so in Wisconsin as long as the convention system with its series of irresponsible intermediaries between the people and their representatives prevailed. Ideals and talents were chained by fear. The energy of the state was absorbed in defence, in keeping what it had gained rather than in building for the future.

Wisconsin assumed that the trouble with our

politics is not with our people, but with the machinery with which the people work. And Wisconsin has taken the kinks, the angles, the circumlocution out of government. It has established a line of vision as direct as possible between the people and the expression of their will. Officials have become agents or servants, rather than principals or bosses. They are free to serve without fear or favor of those who contribute to campaign funds or of the boss who barter in legislation and keeps his retainers in office as long as they are obedient to his will.

The achievements of Wisconsin came through freedom, through freedom in thought as well as in action. There was an end of fear. Men dared stand for ideas. Freedom of speech and of research were preserved in the university. The by-products of political freedom were greater than the direct political gains which followed.

Political freedom made other reforms possible. No constructive programme can be developed in the midst of a class conflict. It can be achieved by a benevolent autocrat, as in Germany, or it can be achieved by democracy. There is no place for state building in the midst of a struggle between privilege and democracy. Men's minds are absorbed in warfare, not in state building. And in Wisconsin so long as men feared that new ideas would imperil their place or advancement, progressive legislation was out of the question. The

press was influenced by its owners. It reflected the will of the ruling class. The university was subject to the same fear. Academic freedom was under espionage. Professors were restless. They feared some chance expression would endanger their posts. The extension of university teaching carried with it the germs of danger to the old system. It promoted discussion. It awakened the interest of the people.

It is impossible to measure the psychological effect of freedom on the mind of a state. It is obvious, however, that Wisconsin could not have entered on its policy of corporation control under the old system. It is equally obvious that the far-reaching industrial programme of workmen's compensation and state insurance, would have been well-nigh impossible. A widening of political power carried with it a widening of the idea of political service. Equal opportunity for all, rather than special privileges for the few, became the motive of legislation.

The biological laws that control the animal kingdom apply to the development of society as well. Evolution demands a free field. Progress comes with equal opportunity for talent to find expression. Democracy insures such opportunity. It offers a field of agitation, of discussion that is not possible when the channels of political action are closed. The achievements of Wisconsin are achievements



of democracy. Through it the aspirations of the state have found expression.

Wisconsin is fortunate in the close identity of the university with the state-house. The reaction of one upon the other has been beneficial to both. The university has been invigorated by its contact with practical problems. Young men have been awakened to an interest in politics. Teaching has been vitalized by the large number of professors, who give a portion of their time to state affairs, to the solution of administrative, legislative, and technical problems. The pioneer work of the state is largely traceable to the bigness of vision that the university has brought to legislation. Laws have been framed with the experience of the world before the legislature. Thoroughness has characterized the laws which Wisconsin has placed on the statute books.

Scientific efficiency is one of the university's contributions to the state, and efficiency is one of Wisconsin's contributions to democracy. It has been carried into almost every department of the commonwealth.

The assumption is not uncommon that democracy involves the commonplace, that it means a levelling down, a cheapening, an intolerance of superiority. It is suggested that the people will not stand for generous expenditures, for big ideals. Wisconsin proves the contrary. In ten years' time the annual appropriations for the university have increased

from \$550,000 to \$1,700,000. A splendid state-house, costing \$6,000,000, is being erected. Increased provision is being made for new types of normal, agricultural, manual training, and technical schools for the promotion of vocational and extension work. Generous salaries are paid the appointive positions to which the expert is selected, irrespective of his political affiliations.

Democracy not only produced the expert, it elevated him to office. It recognized the necessity of research, of training, of science, in the highly complex business of government. One of the first acts of the Socialist administration in Milwaukee was the organization of a bureau of economy and efficiency to aid its officials in their work. It sent to the university for an instructor to train its aldermen in problems of city administration. The legislative reference bureau, the railroad commission, the board of public affairs, the industrial commission, are all filled with experts or professors from the university. Forestry, agriculture, and road building have been recognized as requiring the aid of the scientist.

Democracy, too, began to use its powers to serve, to serve people as well as business, to serve humanity as well as property. Democracy has begun a war on poverty, on ignorance, on disease, on human waste. The state is using its collective will to promote a programme of human welfare.

Wisconsin is dispelling the fears of those who distrusted democracy. It is demonstrating the possibility of using the state as an instrument for the well-being of all people. It is laying the foundations for a commonwealth whose ideal it is to serve.



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The Session Laws of Wisconsin, as well as many of the above publications, can be secured from the Superintendent of Public Property, Madison, Wisconsin, on payment of a nominal charge for the same. Other publications can be secured from the various commissions, boards, or departments of the University.



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